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1	IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION
3	UNITED STATES OF AMERICA, ) No. 08 CR 888
4	Government,
5	vs. { Chicago, Illinois
6	ROD BLAGOJEVICH, ) June 8, 2010 (STATE OF THE PROPERT BLAGOJEVICH, )
7	Defendants. ) 9:22 o'clock a.m.
8	
9	VOLUME 5 TRANSCRIPT OF PROCEEDINGS
10	BEFORE THE HONORABLE JAMES B. ZAGEL AND A JURY
11	
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527
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(The following proceedings were had in open court.

THE COURT: Please be seated.

Counsel, have you received a list of the numbers? Is there anybody on there who was the subject of peremptory challenge.

MR. SCHAR: No, Your Honor.

MR. ETTINGER: No, your Honor.

THE COURT: For the record, the jurors currently selected to sit are numbers 103, 105, 106, 115, 119, 121, 123, 127, 128, 133, 134, 135, 137, 148, 151, 153, 155, 156. Mr. Walker and the marshal are bringing those 18 individuals up.

I believe I said on the record previously that on occasion when this occurs, someone who has been, in fact, selected will raise new objections about having to do with some obligation that they failed to tell us about. In the unlikely event I would be satisfied with that objection, the next prospective juror in order is 166, and after that 172. There were peremptory challenges exercised by both parties after 172, so I have confidence that they were considered and we will see what happens when the jurors are brought up.

In the meantime, counsel can come to the

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lectern and we can address some pending motions.

MR. SCHAR: For the record, Reid Schar, Chris Niewoehner and Carrie Hamilton on behalf of United States.

MR. ETTINGER: Michael Ettinger on behalf of Robert Blagojevich.

MR. GOLDSTEIN: Aaron Goldstein and Lauren Kaeseberg on behalf of Rod Blagojevich.

THE COURT: I have three motions in front of me, he first motion, which I'm entering and continuing. I think there is very little chance but --

The same is true with the motion to dismiss Count 24, which is a motion that could conceivably have merit, but I really need to hear the evidence to make a determination. The motion with respect to impeachment evidence, with respect to a particular witness, I basically need to see whatever expert findings were made and the government should see them as well.

MR. GOLDSTEIN: Your Honor, those were provided in the attachment.

THE COURT: I don't have the attachment.

MR. GOLDSTEIN: I will get those to you.

THE COURT: When do you anticipate this

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1 witness would be called? 2 MR. SCHAR: Not until later in trial. And I assume it won't be mentioned in 3 opening. 4 THE COURT: No, because I have not authorized 5 it yet. 6 Lastly, yesterday at the close of day the government raised some concerns that some things that they believe were subject of in limine motions might be argued in opening statement. They sent a 10 copy of the letter to me. I am correct that they 11 send it to the defense as well? 12 MR. ADAM, JR.: Yes. 13 MR. GOLDSTEIN: That is correct. 14 THE COURT: With respect to the first item, 15 which is the politics-as-usual argument, is there 16 any intention on anybody's part to make that 17 18 argument? MR. ADAM, JR.: No, and that has never been, 19 Your Honor. 20 THE COURT: Okay, that's fine. As far as I'm 21 concerned, if you wanted to consider it and rule it 22 out last midnight, that would be fine, too. I just 23 want to know. 24

MR. ADAM, JR.: Yes, your Honor.

THE COURT: The second one is the good acts evidence. Are we going to be dealing with good acts evidence --

MR. ADAM, JR.: Your Honor --

THE COURT: -- in opening statement?

MR. ADAM, JR.: That's a little tricky, Your Honor, and only because some of the evidence in this case regarding these particular allegations, there's going to be some evidence of politics and the things he was trying to accomplish in these particular deals; outside of that, we don't anticipate that, Your Honor.

Would you like a little more clarification?
THE COURT: Sure.

MR. ADAM, JR.: For instance, Your Honor, the government here has alleged that Rod Blagojevich was trying to sell a senate seat to a senator. It is our contention that his state of mind at the time was not selling a senate seat to anyone but was trying to get a play, a political play, that Attorney General of Illinois would be the subject of an appointment if some political things were done and guaranteed by the Illinois legislature. Those are political things that are going to come out, and it's more things as healthcare, capital bill, those

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1 are all subject to conversations, literally hundreds of conversations that the government has known about for a very long time.

I do plan on going into the defendant's state of mind, the things he was trying to accomplish, his acts and the way he was doing his acts to get that particular political play.

THE COURT: The one concern I have that is--and I made these rulings before--my concern is is that the chances of the defendant offering, on his own, prior recorded conversations and succeeding in getting into evidence are extremely remote, because his offering them on his own behalf is hearsay.

That doesn't mean he can't make the defense, but my concern would be that you're putting your client in a position where if he does not, essentially, take the witness stand, he may have some difficulties.

So the answer to the question is, if you want to say, predicting what evidence will appear, that the defendant who testified to X, Y and Z and that this was his intend, that you may do.

MR. ADAM, JR.: Yes, your Honor.

THE COURT: The one thing you may not do is

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say that the recordings will establish this or you may not say the recordings will corroborate this.

MR. ADAM, JR.: Yes, your Honor.

THE COURT: There's one circumstance in which you might possibly get parts of the recording in, but they have nothing to do with this particular argument. So that's my ruling with respect to that.

MR. ADAM, JR.: Yes, your Honor.

THE COURT: That also brings up the statement, which a defense lawyer said that the defense is going to try to put in the tapes, I think I've already dealt with that. And there's nothing wrong with trying to put in the tapes, but it's not something you argue to the jury, it's something you argue with me. If I say no, you can't tell the jury that we have this great evidence and the judge wouldn't let it in. You can say that to a court of appeal in case this verdict comes up with something that is appealable, but you can't say it to the jury.

There is reference made about issues having to do with outrageous government conduct and selective prosecution. Those arguments can be made only to me, not to the jury, and you are forbidden from making them or suggesting them.

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There is one thing that's noted, and I have no idea whether this is true or not, it's the flip note in the government's letter, the flip note reads:

"The government notes that defendant, Rod Blagojevich, has indicated he intends to use Twitter to communicate throughout the trial, as well as routinely appear on radio to discuss the trial."

I do not want anybody in the well of the court using "Twitter" during trial. That's a minor issue.

MR. ADAM, JR.: That will not happen.

THE COURT: That's a minor issue.

The issue of whether it would be appropriate to enter an order with respect to anybody communicating during trial is something that I would have to address at a time that the government or someone else brought to my attention exactly what was being said. It's premature to do it now. My only concern is this, and I am sure that the defendant, Rod Blagojevich, has advised of this, you do get to a certain point in time where if you make a lot of statements on radio or in public standing in front of courthouse and you wind up testifying in

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1 the witness stand, questions having to do with impeachment by omission arise. And it's particularly an issue in the context of a case like this as statements are made to the press, because, generally speaking, if you make a statement to the press, they're not going to stand there for 15, 20 minutes and listen to your whole discussion and you wind up with a reported statement of something which omits maybe an important detail or a detail that becomes important during examination on the witness stand.

And as long as I'm satisfied that the defendant, who is in court and listening to me understands this, and I'm quite sure it's been explained to him by his attorneys, that there is a risk that an adverse inference might be created by repeated public statements outside the courtroom, that's merely an admonition.

Anything else I have to deal with?

MR. SCHAR: Judge, I assume any motions for a mistrial will be done at sidebar and not in front of jury?

THE COURT: Yes.

MR. SCHAR: In terms of exclusion of witnesses, the government has two case agents that

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it would seek to allow to sit at the table during the pendency of the trial; beyond that, we will abide by whatever exclusion of witnesses your Honor views as appropriate.

THE COURT: Well, that's the customary permission that's given.

And for the defense?

MR. ADAM, JR.: Your Honor, we ask that defendant's wife, Patti Blagojevich, be allowed to watch the trial. Even though she is on the list, we do ask that she be allowed to watch the trial, other than that, we abide by anything Your Honor says, but we would ask that.

THE COURT: What I'm inclined to do is permit her to be in attendance at the trial and allow the government to raise objections when some specific witness testifies that they feel is inappropriate for her to be present, which I think is probably not a lot of the government's case. So it's possible for a brief period she might be excluded, but, generally speaking, I'm not excluding her.

MR. ETTINGER: Judge, my client's wife, Julie, is in attendance, and I don't think she's going to be here for a lot of the trial, I have told the government that.

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                 THE COURT: Same ruling.
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                  MR. ETTINGER:
                                 Okav.
                 THE COURT: Anything else?
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                              No. Judge.
        4
                 MR. SCHAR:
                 MR. ADAM, JR.: Just two very brief issues.
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        6
                  THE COURT: Go ahead.
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                 MR. ADAM, JR.: One is, Your Honor gave us
          permission to decide on the defense who goes first
          and second. We ask to exercise that Robert
          Blagojevich go first on the opening statements.
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                 MR. SCHAR: No objection.
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                 THE COURT: All right.
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                 MR. SCHAR: I was just going to add, we do
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          have one other witness in the courtroom who is a
       14
          potential government witness, an agent, who would
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:08AM
          only be here for openings, if that's permissible.
       16
       17
                 THE COURT:
                              Sure.
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                 MR. SCHAR: Thank you, judge.
                 MR. ADAM, JR.: And second issue ....
       19
                 THE COURT: Go ahead. Sorry.
       20
:08AM
                 MR. ADAM, JR.: And, secondly, just to remind
       21
          the Court that Rod Blagojevich's daughter is
       22
          graduating tonight between 5:30 and 6:00, just to
       23
          make the Court aware. If we could do opening
       24
          statements and start evidence tomorrow?
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THE COURT: We're going to do the opening
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   statements today.
          MR. ADAM, JR.: Yes, sir.
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          THE COURT: And it's possible, since you are
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   going last, that you might want to shorten your own
 5
   statement.
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          MR. ADAM, JR.: Yes, sir.
          THE COURT: We will resume when I'm satisfied
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   that we have a jury. If the next thing you see is
   18 people coming in and taking their seats, you can
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   assume, for purposes of the record, that no one of
11
   those 18 has asked to be excused. If someone has
12
   been, then we will do whatever we have to do in open
13
14
   court.
          MR. SCHAR: Thank you, Judge.
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16
          MR. ADAM, JR.: Thank you.
             Thank you.
17
       (Recess.)
18
       (The following proceedings were had in open
19
        court:)
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          THE CLERK: We will resume on the record.
21
   Please remain seated.
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              (Proceedings heard at sidebar on the record.)
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               THE COURT: One juror used the word "hardship"
        2
               and wanted to talk to somebody. It's this
        3
               juror 134.
        4
              (Brief pause)
        5
:19AM
                  THE COURT: Were she to be excused, were she
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        7
          to be excused her replacement would be 166.
                  MS. SCHROEDER: Okay.
        8
              (Brief pause)
        9
                  MR. SCHAR: Judge, just so I'm clear, if
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:20AM
          she's excused, then first alternative right now
       11
          would sit on the jury and then the last alternative
       12
          would become --
       13
                  THE COURT: This person would become 18.
                                                             The
       14
          one we're talking about now is 11, number 11.
       15
:20AM
                  MR. GOLDSTEIN: So 166 would move up the
       16
          line?
       17
                              Right. 166 would become 18.
       18
                  THE COURT:
                                                             166
          will not replace this 134. What would replace 134
       19
          would be 137.
       20
:20AM
       21
                  MR. SCHAR: 137. Okay.
                  THE COURT: And I have to tell you, I'm
       22
          disinclined to let her go. This is too late, and I
       23
          can't imagine anything she would tell me, other than
       24
          the fact that probably she has learned what the
       25
:21AM
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1 employer pays her. I mean, nothing is in her social life that would tend to justify that, and I don't like to leave this open.

So what are people's views?

MR. SCHAR: Judge, the only concern I would have is that tomorrow or the next day she comes back with--and I don't know if you've talked to her yet--but comes back with a much more significant explanation, such as she is only getting paid for three days and it's a real issue, then we'll really start out with 17, because at that point we've already lost effectively one, I don't know if it's worth it.

THE COURT: Your view?

MR. SANDERS: As much as it pains me to say this, I agree with the government on that.

Okay. What we can do is, bring THE COURT: her out here now, which I'm going to do at sidebar.

If you would get number 134.

THE CLERK: Yes.

Judge, might I invite one of my MR. SCHAR: co-counsel to join?

THE COURT: Yeah. Anybody can join us.

MR. ETTINGER: Judge, we had Robyn Molaro file her appearance today.

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                 THE COURT: Okay.
                 MR. ETTINGER: It's just proper procedure.
        2
              (Brief pause).
        3
              (Prospective juror at sidebar:)
        4
                 THE COURT: Hi. Why don't you stand right
        5
:23AM
        6
          there.
                 Don't be disturbed by the very large number
          of people, it's just two of us.
        8
                 You wanted to see me?
        9
                 PROSPECTIVE JUROR: Yes; I was hoping to see
       10
:23AM
          if there's any possible way that I can be excused
       11
          because I don't get paid for this in my office and
       12
          it's my hardship, and I will lose my house and
       13
          everything, and I have two small children. We're
       14
          struggling financially and hardly making the house
       15
:24AM
          payment a month.
       16
                 THE COURT: How long do they pay you for?
       17
                  PROSPECTIVE JUROR: Ten days. I wasn't sure
       18
          if they paid or didn't pay. I don't have -- I don't
       19
          know if my insurance would pay or didn't pay either.
       20
:24AM
                 THE COURT: What does your husband do?
       21
                 PROSPECTIVE JUROR: He works for the family
       22
          business. He is a distributor. He's a sales
       23
          Manager.
       24
                 THE COURT: Okay. What do you get paid?
       25
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                 PROSPECTIVE JUROR: I'm sorry?
        1
                 THE COURT: What do you get paid?
        2
                  PROSPECTIVE JUROR: I get paid, it's 1500
        3
          after taxes every two weeks.
        4
                 THE COURT: And what does your husband get
        5
:25AM
        6
          paid?
                  PROSPECTIVE JUROR: The same. His check is
          1400 every two weeks. I pay about $500 for day-care
          for both of my children and then our mortgage, and
          then on top of that I have car payments and credit
       10
:25AM
          cards, and everything else.
       11
                 THE COURT: Why didn't you say this before?
       12
                  PROSPECTIVE JUROR: I answered your question
       13
          and didn't know I was able to speak or say anything
       14
       15
          else.
:25AM
                 THE COURT: We asked the question which asks
       16
          is there anything else which would make it difficult
       17
          for you to serve.
       18
                  PROSPECTIVE JUROR: I'm sorry, I was just
       19
          very nervous.
       20
:26AM
                 THE COURT: Okay. Let me give this some
       21
          thought, but you can go back to the jury room.
       22
                  PROSPECTIVE JUROR: Thank you.
       23
              (Prospective juror exits sidebar:)
       24
              (Brief pause)
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THE COURT: Originally, I actually thought that part of her concern would be her very young children, since they have a 3 year old and a 20 month old, but then I recall she's the one, there's a large family, and they have to take care of the kids.

Anyone want to say something on this?

MR. S. ADAM, JR.: Well, we did find her acceptable, Your Honor. This is, you know, that they are making three grand, total, I guess, a month, and if she's out, it seems to me that might be a hardship because we are planning to be here four months. I would have no objection if Your Honor struck her and moved in 166.

MR. SCHAR: I tend to agree with Mr. Adam. I mean, her demeanor, certainly, I don't think anyone wants to do this, she is extremely upset about being here.

MR. ETTINGER: I just wanted to know who is the next juror that would take her place? You said the one -- the one we said before, 137?

MS. SCHROEDER: Right.

MR. ETTINGER: We have no objection, Judge.

MS. SCHROEDER: We don't want her worrying about making her bills when she's sitting on the

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          jury.
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                  MR. ETTINGER: So then we'll have an
          additional alternate, too.
        3
                  THE COURT: Anybody have a problem with the
        4
          new number 18 juror?
        5
:28AM
        6
                  MR. SCHAR: No, Judge.
                  MR. S. ADAM, JR.:
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                  THE COURT: All right.
        8
              (The following proceedings were had in open
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               court:)
:33AM
                  THE CLERK: Please remain seated.
       11
                              It should be noted for the record
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                  THE COURT:
          that juror 134 has been excused for hardship grounds
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          after satisfying Court and counsel not only of
       14
          adequate reason for hardship, but of the reason that
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:33AM
          had not previously been disclosed. Juror 134 is,
       16
          therefore, excused and juror 166 is added to the
       17
          list.
       18
                  with respect to scheduling, I had hoped to
       19
          begin openings at 11:00, because of this delay,
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          we're going to alter the schedule. Because of my
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          experience of what happens when you have hungry
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          jurors, we're going to swear the jury in, give them
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          the preliminary instructions, and then we are going
       24
          to adjourn and we'll begin with the opening
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statements right about 1:00 o'clock this afternoon. 1 Bring them in. 2 (Brief pause). 3 All rise. 4 THE MARSHAL: (The following proceedings were had in the 5 :35AM presence of the prospective jury in open 6 7 court:) THE COURT: Please remain standing. 8 One of the things about jury service that at 9 least is very similar to the grammar school that I 10 :38AM went to is we stand up and we sit down together. 11 Before you sit down, Mr. Walker will 12 administer the oath. 13 THE CLERK: Would each of the jurors please 14 raise your right hand. 15 :38AM (Whereupon the venire were duly sworn for 16 examination upon their voir dire and examined 17 until jurors were accepted by counsel for the 18 government and counsel for the defendants and 19 duly sworn to try the issues, after which the 20 following further proceedings were had herein:) 21 Thank you. THE CLERK: 22 Please be seated in the courtroom. 23 THE COURT: I'm going to give you some 24

preliminary instructions. I also want to tell you

:38AM

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that the seats you're sitting in now, you're not stuck with them forever. If you want to change seats, that's fine with me.

I'm going to give you some preliminary instructions which will guide you in your participation in the trial.

You have two duties as a jury. Your first is to decide the facts from the evidence in the case, this is your job and yours alone.

Your second duty is to apply the law that I give you to those facts. You must follow my instructions about the law even if you disagree with them.

Each of the instructions I give you not only the ones at the end of trial but if I give you any during trial, each of them is important and you must follow all of them.

Nothing I say now and nothing I say or do during trial is meant to indicate any opinion on my part about what the facts are or what your verdict should be.

The evidence from which you will find the facts is going to consist of the testimony of witnesses, some documents, other things received into the record as exhibits, and there may be some

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facts that the lawyers agree to or stipulate, and under certain circumstances I can take judicial notice of a fact, but that's very rare.

Certain things are not evidence and must not be considered by you, and I'll list them for you now:

Statements, arguments, and questions by lawyers are not evidence. The basic rule in a courtroom is, what is said to you from the well of the court, which is that center area (indicating,) are generally not evidence. What is evidence is what comes from the witness stand or exhibits that you are shown or listen to or given to examine.

Objections to questions are not evidence.

Lawyers have an obligation to their clients to make an objection when they believe that evidence is being offered improperly. You shouldn't be influenced by the objection or by my ruling on it. If the objection is sustained, you should ignore the question. If it is overruled, you must treat the answer like any other.

If you are instructed that some item is received for a limited purpose only, you must follow that instruction. When or if I give you such an instruction, I will explain it clearly to you or at

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least as clearly as I can.

Anything that I've excluded or told you to disregard is not evidence and must not be considered. Some people, when they hear that instruction, believe that I'm telling them that if I 6 excluded evidence and told you to disregard it, I'm, in fact, instructing you to forget it. This is not what I'm instructing you to do. In fact, I can't imagine anything that would cause you to remember something clearly would be for me to point at it and tell you to forget it. What I'm telling you is that when you go back and decide the case, as we sometimes say you put evidence on the scales and weigh it, you have to leave anything I've told you to disregard off those scales.

Anything you've seen or heard outside the courtroom is not evidence and must be disregarded. You are to decide the case solely on the evidence presented here in the courtroom.

I'm sure all of you have heard phrases "circumstances evidence" and "direct evidence." Circumstantial evidence is evidence of a proof of a series of facts which tend to show whether the defendant is guilty or not guilty.

Direct evidence is the testimony of someone

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who claims to have personal knowledge of the commission of a crime, such as an eyewitness.

The law makes no distinction between these two. You are supposed to consider both the direct and circumstantial evidence in reaching your verdict.

It is your decision to decide how much weight to give to any evidence. All of the evidence in the case, circumstantial or otherwise, should be considered by you in reaching your verdict.

One of your principal jobs, many people think the most important job, is that you have to decide whether the testimony of each of the witnesses is truthful and accurate, in part, in whole, or not at all, as well as any weight, if any, you give to the testimony of each witness.

There are three basic rules about a criminal case that you must keep in mind:

First, both defendants are presumed innocent until proven guilty. The indictment brought against them is only an accusation, nothing more. It is not proof of guilt and any defendant starts out with a clean slate.

Second, the burden of proof is on the government. Until the very end of the case, the

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1 defendant has no burden to prove his innocence or to present any evidence or to testify. Since the defendant has a right to remain silent, the law prohibits you from arriving at your verdict by considering that any defendant may not have testified.

Third, the government must prove a defendant's guilt beyond a reasonable doubt. give you further instructions on this point later.

Some words about your conduct as jurors. instruct you that during the time trial you are not to discuss the case with anyone or to permit anyone to discuss it with you. Until you retire to the jury room at the end of the case to deliberate on your verdict, you are simply not to talk about this case.

Sometimes that instruction is puzzling because you think if you go back to the jury room you can't discuss anything that happened in the courtroom. And there are things you can discuss about what happened in the courtroom, some of them are going to be fairly obvious. If some lawyer trips on his way to the witness stand, you are free to talk about that amongst yourselves. What the message is is that you must not talk about the

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1 evidence in a way that might, even in the most remote way, lead you to reach conclusions about the case.

The most important thing, and it's going to be obvious to you in a trial of this length is, you're not going to hear the whole case at once. Evidence is going to come in and you're not going to understand the significance until you hear other evidence, which is why you don't want to talk about it.

Another thing is is when you go home at night, or on Fridays if you go to work, people are going to ask you what you've been doing and you're going to tell them that you've been selected for a jury in federal court and they're going to ask you what it's about.

Don't answer those questions. If it's somebody who is close to you, tell them that you will tell them everything they want to know about the trial after it's over. You'll bore them to tears for hours on end, but not until the trial is over.

And there is a reason for this. If you sit in court for six hours one day and somebody asks you what happened, your best friend, you're not going to

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1 take six hours to tell that person. You're going to condense it. And when you condense it, you're going to begin to edit your experiences. You're going to make a decision about what is important and what's interesting and what isn't, and you're going to be making that decision before you have the perspective of all the evidence, and sometimes once you make that decision, that something really important has occurred, it gets very difficult to dislodge it from your mind.

And, again, I reiterate, you really have to keep an open mind because over a period of time, what you sometimes thought testimony meant, it turns out it didn't mean that, or sometimes it meant something much more important.

Don't read or listen to anything touching on this case in any way. Obviously, if there are news reports about this and you watch television, you are likely to hear the first few words. Don't listen. Turn the television off, change the channel, do something to avoid it.

If anyone, some stranger, should try to talk to you about it, you must bring it to the attention of the Court promptly, that is to say any court official, and if I'm the first one you run into, you

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1 can bring it to my attention as well.

When you enter the building, I want you to use the south elevators, everybody else involved in this case is going to use the north elevators. But it's possible when you enter the lobby, you may see one of the lawyers or one of the parties in this case or a witness. Do not be offended if they ignore you, and you should ignore them. No hello, no good afternoon, just ignore anybody involved in this case in the courthouse.

Don't try to do any research or make any investigation about this case on your own, that is particularly significant in this case. But the truth of the matter is is by the time you've heard all of the evidence in this case, I don't imagine that there is going to be a lot left that you haven't heard, but I want you to hear it in the courtroom, not outside the courtroom.

I reiterate, don't form any opinion until all the evidence is in. You have to keep an open mind until you start your deliberations at the end of the case in order to be a fair juror.

You can take notes, if you want to. You will be given material, a notebook and a pencil or a pen to write with. You don't have to take notes. If

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you do take notes, you should leave them in the jury room when you leave at night and remember they are only for your personal use.

We are going to take a break, and when we resume, the trial is going to begin. It will begin with the government's opening statement, which is simply an outline to help you understand the evidence as it comes in. Think of it as a prediction of what the evidence is going to show. A defendant's attorneys, in this case two defendants, will also make opening statements.

Opening statements are not evidence. That's going to be the first example of something you hear from the well of the courtroom. They are lawyers predicting what the evidence will be, and that prediction could turn out to be wrong. It's not the evidence, it's something that gives you a whole picture so that it will be a little easier for you to fit the individual testimony of witnesses in place.

The government then presents its witnesses, counsel for the defendants may cross-examine them. Following the government's case, any defendant may present witnesses who the government may cross-examine.

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After all the evidence is in, the attorneys 1 will present their closing arguments to summarize and interpret the evidence for you. And those will 3 be arguments as opposed to predictions about what the evidence is going to show. I will then instruct you, after that you will retire to deliberate on your verdict. With that instruction, the jury is excused until 1:00 o'clock. THE MARSHAL: All rise. 10 (The following proceedings were had out of the 11 presence of the jury in open court:) THE COURT: See you later. 13 (Luncheon recess taken from 11:51 o'clock a.m. 16 to 1:00 o'clock p.m.) 18

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              IN THE UNITED STATES DISTRICT COURT
                  NORTHERN DISTRICT OF ILLINOIS
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                         EASTERN DIVISION
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   UNITED STATES OF AMERICA,
                                           No. 08 CR 888
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             Government,
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                                          Chicago, Illinois
   VS.
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                                          June 8, 2010
   Rod BLAGOJEVICH,
   ROBERT BLAGOJEVÍCH,
                                           1:17 o'clock p.m.
                 Defendants.
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                    TRANSCRIPT OF PROCEEDINGS
              BEFORE THE HONORABLE JAMES B. ZAGEL
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                            AND A JURY
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   For the Government:
                 THE HONORABLE PATRICK J. FITZGERALD, UNITED STATES ATTORNEY
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Carrie E. Hamilton
                 BY:
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                      Christopher Niewoehner
                 Assistant United States Attorneys
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opening statement - on behalf of the government
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                  THE CLERK: All rise.
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               (The following proceedings were had in the
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               presence of the jury in open court:)
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                  THE COURT: Please be seated.
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                  You may begin.
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                  THE COURT: Please be seated.
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                  You may begin.
                  MS. HAMILTON: Thank you, Your Honor.
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              OPENING STATEMENT ON BEHALF OF THE GOVERNMENT
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                  BY MS. HAMILTON: On the north side of
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          Chicago there's a hospital called Children's
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          Memorial Hospital. Children's Memorial is a
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          non-profit hospital that treats the kids no matter
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          where they are from and whether or not they can pay.
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                  In 2008 Children's Memorial Hospital was
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          trying to get money from the State of Illinois to
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          help pay doctors who treat underprivileged kids at
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          the hospital.
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                  In the fall of 2008, then Governor Rod
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          Blagojevich agreed to commit millions of dollars in
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          state funds to help Children's pay its doctors, but
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          there was a catch.
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                  Now that he had decided to help the hospital,
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          he wanted to make sure the hospital was going to
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          help him. So after he delivered the good news to
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the president of the hospital, he had his brother, Robert Blagojevich, follow up with a different message: It was time for the hospital's president to raise tens of thousands of dollars in campaign contributions for the Governor.

But the hospital's president deliberately ignored Robert Blagojevich's repeated calls. And so Robert Blagojevich decided if the hospital's president wasn't going to help him, he wasn't going to help the hospital, and, instead, Illinois money that was committed to help Children's pay its doctors was put on hold.

This was just one in a series of illegal shakedowns that started shortly after defendant Rod Blagojevich became governor of the State of Illinois in 2003 and continued until he was arrested at the end of 2008.

In these illegal shakedowns, defendant Rod Blagojevich was trying to use his power as governor to get something of personal benefit for himself.

As governor of the State of Illinois, defendant Rod Blagojevich regularly made important decisions that affected the daily lives of people throughout the State of Illinois. Sometimes these decisions were far-reaching, like how many billions

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1 of dollars the State of Illinois should borrow in a budget crisis or how many billions of dollars in State of Illinois money should be used to work on the Tollway system. Sometimes the decisions were more narrow, but they were just as significant, like whether and when he should sign a bill into law, or whether a particular school in need would get state funds, or, with the Children's hospital, whether state money will be used to help pay the doctors.

with all of this power came responsibility. And when he made those decisions, he was not supposed to do so because of how much money went into his campaign fund or how much money went into his own pocket or the pocket of a friend or associate. But what you are going to learn in this trial is, in a number of instances, that is exactly what happened.

I'm going to talk with you this morning about a number of illegal shakedowns that happened while defendant Rod Blagojevich was governor of the State of Illinois in those instances when he was supposed to be asking "what about the people of Illinois," he was asking "what about me."

So what you are going to see in this case is that in 2003 when the State of Illinois wanted to

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1 borrow 10 billion dollars, defendant Rod Blagojevich wanted to know "what about me" and the answer was a \$500,000 kickback.

In 2004, when the State Board was making decisions about how to invest Illinois Teachers retirement money, Defendant Blagojevich was then in line to get hundreds of thousands of dollars in kickbacks.

In 2006, when he needed to decide whether a school in need would to get state grant money, he wanted to know "what about me." And the answer? A campaign fundraiser.

In 2008, when he was deciding how many billions of dollars in state money would be used to work on the tollway system, Defendant Blagojevich wanted to know "what about me," and the answer there was \$500,000 campaign contribution.

Again, in 2008, when he was deciding whether and when to sign a bill into law that dealt with the horse racing industry, he wanted to know "what about me" and the answer was \$100,000 campaign contribution.

Again, in 2008, when the Children's Hospital wanted money to pay its doctors, he wanted to know "what about me," and the answer was a \$25,000

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campaign contribution.

And, finally, in 2008, when the people of Illinois wanted to know who would represent them now that Barack Obama had been elected President of the United States, Defendant Blagojevich wanted to know "what about me." And the answer? He wanted a job for himself and when that didn't work he wanted over a million dollars in campaign contributions.

Now, the goal of these illegal shakedowns was to try to fill his campaign fund or to line his own pocket, and the plan was to do that using power he held as governor to try and get something of value for himself.

But he didn't do that alone. There were a number of trusted aids and friends who helped him along the way. You will hear from some of them during this trial. Some of them have plead guilty because of their role in this corruption.

You will also learn that as time went on, there were fewer and fewer people who defendant Rod Blagojevich could trust to help him. So in the summer of 2008 he turned to his brother, Defendant Robert Blagojevich, to come run the campaign fund, and, ultimately, Defendant Robert Blagojevich helped him shake people down for campaign contributions;

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because of that, the defendants have been charged in a criminal indictment.

My name is Carrie Hamilton. Reid Schar,
Chris Niewoehner and I are Assistant United States
Attorneys; Dan Cain and Jay Hagstrom are FBI agents;
and, together, we represent the United States.

As the defendants sit here today, they are presumed innocent. It is the government's burden, it is our burden at this table to prove them guilty beyond a reasonable doubt. It is a burden that we embrace and that we will meet in this case.

I will be talking to you for the next hour or so about what I expect the evidence will be that will prove these two defendants guilty beyond a reasonable doubt. First, I'm going to talk to you about what we are going to prove and then I'm going to explain how we are going to prove it.

Now, because the defendants are brothers and have very similar names, I want to make sure it's clear to you who I am talking about as I walk through the evidence. So as I talk about the evidence, if I am referring to former Governor Rod Blagojevich, I will refer to him as Defendant Blagojevich, if I am referring to his brother, I will refer to him as Defendant Robert Blagojevich.

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Now, as I walk through these deals this afternoon, I won't be mentioning Defendant Robert Blagojevich early on. As I said, he didn't join his brother's corruption until the summer of 2008. So as I talk about the pension deal, the teachers board, and the school, you won't hear anything about Defendant Robert Blagojevich. Once we get to the fall of 2008, the evidence will show Defendant Robert Blagojevich involved in the illegal shakedowns, specifically Children's Hospital and the senate seat.

Now, what you are going to learn is that shortly after Defendant Blagojevich took office as governor in 2003, there was a plan in place for him and his inner circle to try to cash in on his power as governor to personally profit.

And his trusted inner circle, you'll learn, were his longtime friend, campaign fundraiser and Chief of Staff, Lon Monk, and two of his top fundraisers, Tony Rezko and Chris Kelly, who had been responsible for fundraising record amounts of money for the election of 2002.

You are going to hear about meetings where these four men, this inner circle, sat together and devised ways to divide up the State of Illinois for

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their own personal profit.

Now, their plan was not that Defendant Blagojevich would go out and himself shake people down and demand campaign contributions or demand money in exchange for decisions he was making as governor. Their plan was different.

Tony Rezko and Chris Kelly, as I said, they had been two big fundraisers and they had developed relationships because of what they had done through their fundraising. So the plan was that they would be able to identify people who they trusted who can then be put in state deals, put on state boards, given state jobs, state contracts, otherwise put in state deals and then kick money back to the inner circle.

Lon Monk, as Chief of Staff, and Defendant Blagojevich as governor, would do what they needed to do to have those trusted insiders put into state deals and in that way it was the inner circle's plan that they would personally profit from decisions Defendant Blagojevich had as governor.

Now, what you are going to learn through the course of the trial is, the way that they did this varied over time, but you are going to see the same general pattern as to how the illegal shakedown

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happened.

So as I said, as governor, Defendant Blagojevich was responsible for a number of state decisions. Now, for each decision he's making, it's important. It's important to different people for different reasons, and so the plan was to take advantage of somebody who was interested in that decision to try to get something for himself.

And as I said, it wasn't that he would go out and do it himself, instead the demand would be made by the middleman for that personal benefit.

And what you're going to see is that early on, the middlemen that were used were Lon Monk, Chris Kelly and Tony Rezko. Later, as I said, he uses his brother, Defendant Robert Blagojevich, as the middleman, and you'll hear about other deals where there are still other middlemen who are used.

But as we walk through the evidence and as it comes in, you are going to see this same general pattern. There is a state power controlled by Defendant Blagojevich and then he tries to take advantage of the interest that somebody has in that state power to get something of benefit for himself.

Now, I want to talk briefly about the campaign fund. Defendant Blagojevich had a campaign

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fund you'll hear referred to as Friends of Blagojevich or FOB.

Friends of Blagojevich was an entity separate and apart from the State of Illinois. It held the campaign contributions that were made to Defendant Blagojevich, and, ultimately, he controlled how that money was spent.

One of the things you're going to learn in the course of this trial is that, in politics, money is power. The more money in that campaign fund, the more power Defendant Blagojevich could wield as governor, and the inner circle knew this.

So part of the plan was to try to build up that campaign fund because they knew the more money in that campaign fund, the more power Defendant Blagojevich could yield and the more opportunity they would have to try and personally profit from decisions he was making as governor.

so the first deal you're going to hear about involved the state pension bill. What you are going to learn is that in the spring of 2003 the state was arranging to borrow \$10 billion to deal with the budget crisis, and the idea was that the \$10 billion would be borrowed and then given to the state pension board to invest.

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In order to do this, the state needed to hire an investment firm to lead the deal. Because of the huge size of the deal, it was \$10 billion, the investment firm that would be chosen to lead the deal stood to make millions of dollars in fees, and the decision of what firm would get that lead role rested in the hands of Defendant Blagojevich.

You will learn that he chose an investment firm called Bear Stearns. What you will also learn is that the inner circle had fixed that decision, and they had fixed the decision because they had arranged to share \$500,000 from the deal.

The plan was that Tony Rezko would hold that \$500,000 and it would be distributed after Defendant Blagojevich was no longer governor. They wanted to make sure that there was no obvious connection that they were personally profiting from this state deal.

So what you will see is that Tony Rezko arranged for an insider at Bear Stearns to send money to a friend and associate of Tony Rezko's who then distributed the money at Tony Rezko's direction.

So what the evidence will show is that when the State of Illinois needed to borrow \$10 billion, Defendant Blagojevich wanted to know "what about me"

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and the answer in this case was the \$500,000 kickback.

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Now, as I said, they wanted to make sure that there was no obvious money trail from the state deal to the inner circle, and so the plan was for Tony Rezko to hang on to that money until Defendant Blagojevich was no longer governor, but what you're going to learn is that Tony Rezko came up with other ways to get money to members of the inner circle.

One of the ways he did this was that he paid Defendant Blagojevich's wife over \$150,000 in 2003 and 2004. One of the things that he did was, starting in October of 2003, Tony Rezko paid Defendant Blagojevich's wife \$12,000 a month in a consulting fee. You're also going to learn that Defendant Blagojevich's wife was paid out of Tony Rezko's real estate company for deals she never worked on.

You're also going to learn that Tony Rezko was giving cash, tens of thousands of dollars in cash to Lon Monk in 2004.

So what you will see is that Tony Rezko is finding ways to funnel cash to the members of the inner circle while still making sure no one would know they had arranged to personally profit from the

state pension deal.

Now, as I mentioned, part of the plan was that Tony Rezko and Chris Kelly were going to identify people they trusted who were going to be put into state deals to send money back. One of the ways they did this was by partnering up with a corrupt state board member named Stuart Levine.

When Defendant Blagojevich took office of governor in 2003, Stuart Levine was already a member of two state boards. He was already corrupt, and he was more than willing to do what he needed to do to try and kick back money from state deals that were approved by the two state boards he sat on.

One of the state boards he sat on was the State Pension Board that made decisions about how to invest teachers retirement money. And you're going to learn that in the spring of 2004, this board was making decisions about how to investment millions of dollars in teachers retirement funds, and there were a number of companies that wanted those investments.

You're also going to learn that Stuart Levine had arranged with insiders at certain companies to make these deals happen, and what he had arranged was for kickbacks from those deals.

So, once again, you are going to see that

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1 when a teachers retirement board was making decisions about how to invest millions of dollars in teachers retirement money, the inner circle had once again arranged to line their own pockets.

Now, this plan began to unravel in May of 2004. In May 2004, the FBI approached Stuart Levine, the corrupt board member who was sitting on that State Pension Board.

The FBI had received information about Stuart Levine's corruption on this board. They had been able to get a court-approved wiretap to listen to phone calls on his home telephone line and he had been recorded discussing his corruption on these two state boards.

You're also going to learn that the inner circle found out that Stuart Levine had been approached by FBI in May of 2004. And although the corruption didn't stop, certain things changed.

One thing that changed was the 12-thousand-dollar a month consulting fees that Tony Rezko was paying to Defendant Blagojevich's wife, those abruptly stopped in May of 2004. You will see the last 12-thousand-dollar payment made to her in May 2004.

Another thing that changed was, Stuart Levine

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1 was no longer able to work with insiders to try to kick back money because, in 2005, Stuart Levine was indicted for his corruption on those two state boards.

Another thing that happened was, in of May 2005, the FBI interviewed Defendant Blagojevich. He was interviewed about a number of things. He was asked questions about his fundraising activities and he was asked questions about how fundraising related to the decisions he was making as governor.

And what you are going to learn is that Defendant Blagojevich lied to the FBI. He told the FBI that he tried to maintain a firewall between politics and government, and he also told the FBI that he did not track or want to know who contributed to him or how much they are contributing to him.

What you are going to learn in the course of this trial is that those two statements could not have been further from the truth. Defendant Blagojevich lied in an effort to cover up what he was really doing with respect to decisions he was making as governor and their relationship to fundraising.

Now, in 2005, Lon Monk left his position as

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opening statement - on behalf of the government

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1 chief of staff for Governor Blagojevich and he went to go run the reelection campaign. Chris Kelly was very much involved in fundraising, but in 2006 Tony Rezko was indicted for his corruption with Stuart Levine on those two state boards, but what you will see is that in 2006, Defendant Blagojevich, Lon Monk and Chris Kelly oversaw another record-breaking fundraising machine and that he was reelected as governor.

Now, you're going to hear, actually, about a shakedown that happened just before the reelection, this one involving a school.

In 2006, just before the reelection, Defendant Blagojevich tried to shake down U.S. Congressman Rahm Emanuel. What you will learn is that there was a school in Congressman Emanuel's district here in Chicago, you will hear it referred to AUSL.

The mission of AUSL was to teach teachers. And at Congressman Emanuel's request, Defendant Blagojevich had approved a 2 million-dollar grant for the school.

But what you will also learn is that once it came time for the State of Illinois to pay out that grant money, Defendant Blagojevich had a different

idea, and he told his deputy governor, Bradley Tusk, to go to Rahm Emanuel and tell him that Rahm Emanuel's wealthy brother needed to have a fundraiser for Defendant Blagojevich.

Now, what Defendant Blagojevich didn't know was that Bradley Tusk wasn't going to follow that directive. Bradley Tusk never went to Rahm Emanuel and asked for the fundraiser. And when it became apparent to Defendant Blagojevich that he wasn't going to get his fundraiser, there was a consequence to the school.

Rather than paying out the grant money as it otherwise would have been, Defendant Blagojevich directed that the money be paid out slowly, over time, and only when he was left with no other choice because the school actually started working, relying on that grant money.

So what you will see is, this is an example of a time when Defendant Blagojevich's efforts to shake someone down didn't happen, but not because he didn't want it to happen. He wanted that demand to be made, he intended for that demand to be made. He never went back to his middleman and told him "I made a mistake" or "I changed my mind." The reason this didn't happen is because his middleman refused

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to do his dirty work for him.

But the evidence will show that when the school needed its 2 million-dollar grant, Defendant Blagojevich wanted to know "what about me" and his answer this time was that he wanted a campaign fundraiser.

Now, in 2007, Chris Kelly was charged. He was actually charged with tax charges unrelated to the corruption he was involved in with Defendant Blagojevich, but he was also no longer part of the inner circle.

So what you see is, by 2008, the circle of insiders that Defendant Blagojevich could trust and rely on had significantly dwindled. So in the summer of 2008 he turned to his brother, Defendant Robert Blagojevich, and Defendant Robert Blagojevich agreed to come and run the campaign fund.

what you are going to learn is almost as soon as Defendant Robert Blagojevich came to run the campaign fund, the fundraising land gave chase. In September of 2008, there was a bill passed. You'll hear it referred to as the ethics bill, the ethics legislation. And, basically, what happened is, the ethics legislation put certain limits on certain contributions that could be made to Defendant

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Blagojevich.

Although the ethics legislation was passed in September of 2008, it wasn't scheduled to actually go into effect until January 1st of 2009. So what this meant is that in those last 3 months of 2008, the defendant was under an immense amount of pressure to raise as much money as possible before the ethics legislation went into effect and before the limitations were imposed.

Now, as I said before, one of the things you're going to learn in this trial is that in politics, money is power. So if Defendant Blagojevich was going to run for reelection in 2010, he needed to raise as much money as possible before those limitations went into effect at the end of 2008.

You will see that his campaign fund in the fall of 2008 had several million dollars in it, but what you are also going to see was that it was significantly short than the over \$15 million that were raised before the 2006 reelection.

The other thing is that even if Defendant Blagojevich decided not to run for reelection in 2010, one of the things you're going to learn is that, as a sitting governor, it was very important

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that he appear to the rest of the political world as a force to be reckoned with, and one of the ways he could do this was by raising as much money as possible before the end of the year.

So in an effort to do that, in an effort to raise as much money as possible before the end of the year, Defendant Blagojevich started shaking people down and trying to get large campaign contributions in exchange for decisions he was making as governor.

One of the shakedowns you are going to hear about during this time involved the tollway. What you're going to learn is that in the fall of 2008, Defendant Blagojevich decided to commit \$1.8 billion in state funds to improve the tollway. And while 1.8 billion dollars is a very large figure, it's actually the smallest of the actions that was available for the tollway program.

You're going to learn Defendant Blagojevich didn't choose the smallest option to save the State of Illinois money, he chose the smallest option as part of a plan he had to try to shake down the road industry who would get state contracts under the tollway plan.

So what he did is, in mid October of 2008, he

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\$1.8 billion to improve the state tollway system, he then tried to make sure that the road building industry knew that he had additional billions of dollars he could still commit to the tollway plan, and his thought was that this would motivate the road industry to make large campaign contributions to him before the end of the year in the hopes that he would then commit the additional billions of dollars in state funds.

One of the people Defendant Blagojevich shook down under this plan was a man named Jerry Krozel. Jerry Krozel owned a concrete company and he had been instrumental in raising money from the road building industry in the past.

So Defendant Blagojevich himself met with Jerry Krozel. He told him about the \$1.8 billion plan that he was going to announce, he also told him that he had an additional 6 billion dollars that he could also put into the tollway program but said he was going to wait, then he asked Jerry Krozel to work to raise contributions from the road building industry.

Jerry Krozel wouldn't commit to a specific number that he was willing to raise, so Defendant

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1 Blagojevich again brought up the fact that there was still this \$6 billion he could commit to the tollway program. And when Jerry Krozel left that meeting with Defendant Blagojevich, he knew Defendant Blagojevich was trying to shake him down for campaign contributions from the road building industry and that he was using the money in the tollway plan as leverage to do it, and Jerry Krozel decided he wasn't going ahead.

Defendant Blagojevich then sent Lon Monk to try to talk to Jerry Krozel and get him to commit to raising \$500,000 in campaign contributions. Monk wasn't able to close the deal, so Defendant Blagojevich took matters back into his own hands.

He talked to Jerry Krozel himself. He once again told him about the additional money and once again, just as he had in the meeting, put pressure on him to raise campaign contributions using the tollway plan as leverage.

What the evidence will show is that when he was deciding how many billions of dollars in state money would be used to improve the tollway system, Defendant Blagojevich wanted to know "what about me," and in this case his answer was \$500,000 in campaign contributions.

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Now, also in 2008, another shakedown you're going to hear about involved the horse racing industry. What you're going to learn is that, in November of 2008, a bill that was very important to the horse racing industry had passed the Illinois House, and sent, and it was awaiting Defendant Blagojevich's signature before it would become law.

One of the individuals who cared very much about this bill being signed into law was a man named John Johnston.

John Johnston owned a horse racetrack and he was going to get money, funding, under the new law. For every day that the law went unsigned by Defendant Blagojevich, it cost John Johnston's company \$9,000, and Defendant Blagojevich knew this, so he didn't sign the bill. Instead, he went to Lon Monk and had Lon Monk meet with John Johnston and shake him down for \$100,000 in campaign contributions.

Lon Monk and Defendant Blagojevich agreed that Monk would go out and he would use the fact that Defendant Blagojevich had not yet signed that bill into law as leverage to try to get John Johnston to make a large \$100,000 contribution.

But as Jerry Krozel of the tollway, John

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Johnston immediately knew that Defendant Blagojevich was trying to shake him down for campaign contributions using that bill and the fact that it had not yet been signed as leverage and he, too, decided he was not going to pay up.

So what the evidence will show is that when Defendant Blagojevich was deciding whether and when to sign a bill into law, he wanted to know "what about me," and in this situation his answer was \$100,000 in campaign contributions.

Now, I've already talked briefly about the shakedown on Children's Memorial, so I'll just briefly recap.

This was also happening in the fall of 2008 at the same time as the tollway and the horse track. And what happened is, Defendant Blagojevich agreed to commit millions of dollars in state money to help the hospital pay its doctors, he then sent Defendant Robert Blagojevich to try to shake down the hospital president for campaign contributions, and the hospital president also recognized that that was what was happening and he refused to go along with it. So what the evidence will show on that is that when he was deciding whether to have state money be committed to help Children's Hospital pay its

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doctors, Defendant Blagojevich wanted to know "what about me" and his answer in this case was a 25-thousand-dollar campaign contribution.

Now, in each one of these situations, the message that was being directed to the business of these shakedowns was clear: Pay up or no state action.

But Defendant Blagojevich and the middlemen that he used sometimes tried to be more clever than to actually say those words, but no matter the precise words that were used, that was exactly what they were doing, they were trying to shake people down using decisions Defendant Blagojevich was making as governor as leverage to get them to make campaign contributions.

I'll use the example of Lon Monk and the horse racing industry. As I said, before Lon Monk went to meet with John Johnston, the owner of the horse racetrack, he and Defendant Blagojevich met and they rehearsed exactly what Lon Monk was going to say to John Johnston to put pressure on him and make sure he understood that if he wanted that bill signed, he needed to make a campaign contribution.

But they knew they needed to try to be more clever than to say that directly, so what they

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1 agreed was that Lon Monk would say, "the Governor really wants to sign the bill but he's afraid that if he signs the bill, then he won't make the campaign contribution."

So it wasn't that far off, but they were trying to be clever and not say directly, "if you want the bill signed, make a contribution," but what you will learn is, that was the intended message and that was exactly what John Johnston heard. What he heard was that if he wanted that bill signed, he needed to make a campaign contribution.

You're going to see the exact same thing with respect to the tollway and the hospital. said the words "pay up or no state action," but clever or blatant, it was still a shakedown. The message was still clear and it was heard by the victims loud and clear that they needed to pay up if they wanted that state action.

So what you are going to see is that in the fall of 2008, Defendant Blagojevich was scrambling to try to raise as much money as possible before the end of the year and before that ethics legislation went into effect.

You are also going to learn that Defendant Blagojevich believed he was facing a different

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attack, one that could not be stopped just with campaign contributions. You're going to learn that in the fall of 2008, Defendant Blagojevich believed there was a movement by certain members of the State House of Representatives to impeach him and start the process to try to remove him as governor, Defendant Blagojevich also believed that this movement to impeach him was being encouraged by the Chicago Tribune newspaper.

The Chicago Tribune newspaper had published a number of editorials that was very critical of Defendant Blagojevich as governor and even mentioned impeachment, but Defendant Blagojevich believed he had something he could use to get the Chicago Tribune to stop writing critical editorials of him.

What Defendant Blagojevich knew was that the owner of the Chicago Tribune also owned the Chicago Cubs and Wrigley Field. The owner of the Tribune and the Cubs had publicly announced he wanted to sell the Chicago Cubs and Wrigley Field and there were certain members of Defendant Blagojevich's staff who had been working with the Cubs and Wrigley Field to see if the State of Illinois could be part of the deal to sell Wrigley Field.

Defendant Blagojevich believed that the State

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of Illinois' involvement in that deal was worth hundreds of millions of dollars to the owner of the Tribune and who was also the owner of the Cubs.

So he directed his then chief of staff, John Harris--John Harris had come in to take over when Lon Monk went to run the elections campaign--he directed John Harris to shake down the Tribune, but not for money. Instead, he directed John Harris to shake down the owner of the Chicago Tribune to try and get them to fire the writers who had been writing critical editorials of him. And what he said was, to threaten that if they did not, then the state support of the Wrigley deal that he believed to be worth hundreds of millions of dollars to the owner of the Tribune, that would be pulled.

What he didn't realize is that like Brad Tusk with the shakedown of the school, John Harris did not follow his direction. He did not relay the threat to the Tribune that they needed to fire their editor or else the state support for the Wrigley deal would be pulled.

So what you're going to see is that in the fall of 2008, Defendant Blagojevich is doing a number of things to try and hold on to his power as governor. He's got the threat going on the Chicago

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1 Tribune and he's also shaking people down to try to raise as much money as he can by the end of the year.

You're also going to learn that it wasn't just the campaign fund that was under financial pressure in the fall of 2008. What you're going to learn is that Defendant Blagojevich himself was under personal financial difficulties. His 170-thousand-dollar a year salary was not enough to cover the increasing debt that he and his wife were accumulating.

What you're going to see, this chart, this first line is 2004, and this number, you will recall, it includes the money from Tony Rezko to Defendant Blagojevich's wife, and you'll see that with that money, they were able to offset some of their debts.

Now, what I also said, none of the money from these shakedowns was going into anyone's pocket directly. They were going to wait and be split down the road when Defendant Blagojevich was no longer governor. But by 2008, Stuart Levine, Tony Rezko, Chris Kelly had all been indicted.

So in 2008, it's just Defendant Blagojevich's 170-thousand-dollar salary, and what you will see is

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1 that it's not enough to cover the debts. And this chart, you see the phrase up there "consumer debt"? That's just credit card debt and lines of credit against their home, it doesn't include their mortgage or any other debts. Just that, it's over \$200,000 in the fall of 2008.

What you will also learn is that even if he had been able to raise substantial amounts of money into the campaign fund, there are limits on how that money can be spent.

You'll also learn that in the fall of 2008, he had not yet decided whether he was going to run for reelection in 2010, and what that meant was he had no real career plans to what he was going to do and no real plans about what to do about this financial situation.

For Defendant Blagojevich, his golden ticket arrived on November 4th, 2008. On November 4th, 2008, Barack Obama won the general election to be the President of the United States. What that meant was that he needed to resign his position as a senator from the State of Illinois, and, by law, there was one person who had the power to decide who would replace Barack Obama in the U.S. Senate: Defendant Blagojevich.

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what you're going to learn is that he decided to try to cash in on that power he had as governor to try to get something of value for himself. That was his golden egg. It was the answer to his career problems and his financial troubles.

You're going to learn that Defendant
Blagojevich learned from people he trusted that
President-Elect Obama wanted one of his senior
advisers, a woman named Valerie Jarrett, to be named
to his open senate seat.

You're also going to learn that Defendant Blagojevich considered appointing her to this position but not because of what she could do for the people of Illinois. He considered appointing Valerie Jarrett because of what he would get out of it.

what you will see is that he directed senior members of his staff to do research on prestigious jobs, high paying jobs, other positions he could demand for himself from President-Elect Obama in exchange for making Valerie Jarrett the senator.

You are going to learn he actually made two demands himself: First, Defendant Blagojevich said that if President-Elect Obama wanted Valerie Jarrett to be the senator, then he, Defendant Blagojevich,

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wanted to be the United States Secretary of Health and Human Services.

when that didn't work, he then said he wanted millions of dollars put into an organization he would control and where he would have a job waiting for him when he was no longer governor, but that didn't work either.

when it became apparent to him that he wasn't going to be able to get anything of value for himself in exchange for making Valerie Jarrett the senator, Defendant Blagojevich considered a number of other options.

One of the candidates he considered was Congressman Jesse Jackson, Jr., but you're also going to learn this wasn't because of what he thought Congressman Jackson could do for the people, it was because of what he thought could be done, again, for him.

What you will learn is that Defendant
Blagojevich believed that if he made Congressman
Jackson the senator, supporters of Congressman
Jackson would contribute over a million dollars to
Defendant Blagojevich's campaign fund.

That message had been communicated to his brother, Defendant Robert Blagojevich. Defendant

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Blagojevich never spoke to Congressman Jackson about it; instead, as the head of Friends of Blagojevich, Defendant Robert Blagojevich was in contact with people who supported Congressman Jackson and Defendant Blagojevich.

These supporters had told him that they wanted Congressman Jackson to be made the senator and that if Defendant Blagojevich were willing to do that, they would be willing to contribute over a million dollars to Defendant Blagojevich.

Defendant Robert Blagojevich told his brother, Defendant Blagojevich, about that, and it was because of that promise for campaign contributions that Defendant Blagojevich considered appointing Congressman Jackson to the open senate seat.

So, again, what you will see is that when he needed to decide who should represent the people of Illinois in the U.S. Senate, Defendant Blagojevich wanted to know "what about me," and his answer in this situation was several:

He wanted a prestigious job for himself, he wanted millions of dollars to be put into an organization he could control, and when those didn't work, he wanted over a million dollars in campaign

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Now, all of these shakedowns that were under way in the fall of 2008 came to an abrupt halt. In December of 2008, Defendant Blagojevich was arrested.

Now, that is a summary of what we are going to prove to you in the coming weeks. I now want to talk very briefly about how we are going to prove it.

You remember that we talked about the fact that there is the same general pattern to the way these shakedowns happened: At two of the ends, you've got a middleman and at the other end you've got a victim. Well, in this case, you're going to hear from some of the middlemen and you are going to hear from the victims.

Two of the middlemen you are going to hear from is Lon Monk and John Harris, Defendant Blagojevich's former chiefs of staff. Lon Monk and John Harris have both pled guilty to their role in this corruption, they have agreed to cooperate with the government and they will be testifying before you.

Now, because they have agreed to cooperate with the government, they're hoping that they will

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get reduced sentences, and, because of that, you should consider their testimony with caution and great care. You should also consider their testimony in light of all the other evidence that you are going to hear.

What you will see is that Lon Monk and John Harris are just two pieces of a much larger puzzle. You are going to hear from a number of other witnesses who were involved in this corruption. Some of them have plead guilty to the corruption they were involved in and have also agreed to cooperate with the government, some have received immunity, which basically means that as long as they tell the truth about what they did and what they know, they won't be prosecuted.

Now, you are also going to hear from the victims in this case. You're going to hear from Pat Magoon from the Children's Hospital, and John Johnston from the horse track, and Jerry Krozel with respect to the tollway. These victims are going to tell you about being shaken down by Defendant Blagojevich for campaign contributions.

But you are going to have more than the testimony of these witnesses here in court. For the shakedowns that were under way in the fall of 2008,

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the tollway, the horse track, the hospital, the senate seat, the Tribune, you are going to be able to hear for yourself how that corruption was unfolding at the time it was unfolding.

what you are going to learn is that the FBI was able to get a court-approved wiretap on a number of telephone lines. One of the lines was Defendant Blagojevich's home line, another line was defendant Robert Blagojevich's cell phone, and the government was also able to record certain meetings that took place at the campaign fund office here in Chicago.

So what you are going to learn is these defendants talking about this corruption at the time it was happening when they did not believe anyone but their trusted insiders were listening.

For example, do you remember I told you about how the president of the Children's Hospital wasn't returning phone calls? Well, you're going to hear the calls between these two defendants talking how he's not returning phone calls.

And you're also going to hear one phone call that Defendant Blagojevich made on the same day he learned that the hospital president isn't returning those calls. It's a call he makes to Deputy Governor Bob Greenlee. In that call, which is

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almost a month after he first committed those funds to Children's Memorial, you will hear him ask his deputy governor if he can still hold up the money for Children's, and you will hear him use as an excuse budgetary reasons.

In addition to hearing that call, you're going to have Bob Greenlee who will come in and testify. I expect what he will tell you about that call is that he fully understood that Defendant Blagojevich expected him to hold up that money and that he was using budgetary reasons as an excuse even though there were no budgetary reasons to hold that money.

with respect to the horse track, do you remember how I told you that Lon Monk and Defendant Blagojevich met ahead of time and they rehearsed exactly what was going to be said before Lon Monk went to meet with the horse track owner? You're going to hear that meeting. It happened at the campaign fund office.

You're going to hear Defendant Blagojevich and Lon Monk rehearse exactly the words that are going to be used to make sure John Johnston understood that if he wanted that bill signed, he needed to make a campaign contribution.

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You're then going to hear the call that Lon Monk makes immediately after he has just shaken John Johnston down. He calls Defendant Blagojevich and he tells him how he made sure Johnston knew that he needed to pay up if he wanted that bill signed.

You're also going to hear a number of calls about the senate seat and about Defendant Blagojevich's efforts to try to get something of value for himself in exchange for his power he had for appointing the next senator.

You are going to hear in his own words how he was making that decision, what he wanted for himself and his family in exchange for that situation.

You heard me describe the financial pressures he was under. Well, you are going to hear him describe the financial pressures he was under and the role that was playing in his decision as to who should be the next senator from Illinois.

You will hear him speak in vivid terms about how valuable this senate seat was to him. You will hear him say, "I mean, I got this thing and it's f'ing golden and I'm not giving it up for f'ing nothing."

You are also going to hear him, the calls he makes directing his high-level staff members, Deputy

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Governor Bob Greenlee, Chief of Staff John Harris, to do research on prestigious positions, high-paying positions, other things he could demand for himself in exchange for making Valerie Jarrett the senator.

You are going to hear him in his own words explain how he did make the ask to be the U.S. Secretary for Health and Human Services in exchange for making Valerie Jarrett the senator.

And you are going to be able to hear him ask for millions of dollars to be put into an organization he would control and where he would have a job waiting for him when he was no longer governor.

You are also going to hear these two defendants talk about the offer that had been made for over a million dollars in campaign contributions from supporters of Congressman Jackson. You are going to hear Defendant Robert Blagojevich relay that offer to Defendant Blagojevich almost immediately after he gets the offer.

And then later on when Valerie Jarrett is no longer an option, you are going to hear a call between these two defendants where they're talking about going back to supporters of Congressman Jackson to try to get the over a million dollars in

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campaign contributions going.

You are going to hear this call, you are going to hear Defendant Blagojevich say "this is possible" and you are going to know he's talking about Congressman Jackson and "some of the stuff is gotta start happening now."

And, again, when you hear this call, you're going to know they're talking about that fundraising offer.

You're going to hear him say, "right now and we gotta see it," and, again, you're going to know he's talking about they got to see that money up front.

In the same call, you are then going to hear Defendant Blagojevich caution his brother, Defendant Robert Blagojevich, to be careful how he expresses that, "now you gotta be careful how you express that, as if everybody is listening, the whole world is listening." And you will also hear him caution, "I would do it in person, I would not do it on the phone."

You are then going to hear within minutes of this call, Defendant Robert Blagojevich sets the wheels in motion to get that going, to get that stuff coming in, to get those campaign contributions

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up front and moving if the supporters are serious about wanting Congressman Jackson to be the next senator.

After you hear the calls and the meetings and after you hear from all of the witnesses, you will know that Defendant Blagojevich with the help of his brother, Defendant Robert Blagojevich, and a number of other people, corrupted the office of the governor of the State of Illinois for his own personal benefit.

when you hear him say that this senate seat is golden and he's not giving it up for nothing, you are going to know, that's how he viewed his power to fill not only an empty U.S. senate seat, that's how he viewed his power with respect to all of these other deals.

Each one of these decisions he was able to make because he was governor of the State of Illinois, Defendant Blagojevich viewed as a golden opportunity to get something of value for himself. Rather than asking what about the people I represent, he was asking what about me.

At the conclusion of the case, we will stand before you again and we will ask you to return the only verdict that is consistent with the evidence in

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opening statement on behalf of Robert Blagojevich
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                  THE COURT: 15 minutes.
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                  THE MARSHAL: All rise.
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               (Recess.)
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                  THE CLERK: All rise.
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               (The following proceedings were had in the
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               presence of the jury in open court:)
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                  THE COURT: Please be seated.
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                  Mr. Ettinger.
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                  MR. ETTINGER: Thank you.
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            OPENING STATEMENT ON BEHALF OF ROBERT BLAGOJEVICH
                  BY MR. ETTINGER: Judge Zagel, Cheryl, Robyn,
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          counsel, counsel.
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                  Ladies and gentlemen of the jury, my name is
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          Michael Ettinger and I have the honor of
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          representing retired Lieutenant Colonel Robert
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          Blagojevich.
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                  Would you stand up, please.
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                  (Brief pause).
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                  MR. ETTINGER: That's my client.
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                  I have the honor of trying this case with my
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          trial partner, Cheryl Schroeder, Robyn Molaro and a
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          paralegal Alex Michael who is going to soon take the
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          bar exam.
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                  As Judge Zagel told you in the beginning,
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opening statement on behalf of Robert Blagojevich 602

1 every person is presumed innocent. The government has got the heavy burden of proving them guilty beyond a reasonable doubt. And what we say to you in opening statement is not evidence, it's what we expect the evidence to show.

So if you had to go reach a verdict right now, it would have to be not guilty because you haven't heard any evidence. That's how our system It's not perfect, but it's the best in the works. world.

I think Judge Zagel told you that in 1776, and I'm not a good historian, but that's when this system started, there was a lot of bloodshed, and we all believe in this system and we believe in people like you for sacrificing your daily lives, your jobs, to sit here and judge another human being. And there is no greater test, in my opinion, that any of us can do as citizens of this great country than to judge a fellow human being.

Now, of course, we attorneys all plan out our opening statements and we got it down and we got notes and we were going over them last night, can't fall asleep all of us, and then the government gets up and gives their opening statements, and it happens all the time, and now it changes.

So I promise, I will not be any longer than Carrie Hamilton. So I'm going to probably start -- no, I will, there's no "probably," I'm going to start at the end, but before I get there, Judge Zagel told you he's going to tell you what the law is at the end of the case. You guys decide the facts. And I'm not going to get into what the law is. I'm going to get into what evidence is going to show that my client did.

I'm going to tell you now, I'm going to tell you at the end, until they shut me up, he's innocent, he's an innocent man. And he's a great man. And I think at the end of this case when you see all this evidence you'll agree with me.

Now, you heard the government tell you that my client, Robert Blagojevich, came up here for four months. That's right. We agree. From August of 2008 through December of 2008, he came up here to help his brother. And I'm going to get into that as to why that happened. I'm going to tell you another thing, he's not into politics, he's not a politician. He's a businessman.

He was born in 1955, that makes him, what? MR. S. F. ADAM: 55.

MR. ETTINGER: Okay, that makes him 55. He

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1 went to Lane Tech High School. They grew up on the northwest side. His father was a factory worker, his mother was a CTA ticket agent. He went to Lane Tech. He's an excellent baseball player. He was starting pitcher -- or catcher in his senior year.

He then went to get a scholarship at the University of Tampa. He tried, he didn't get one, so he went in as a walk-on. And he did start playing baseball at the University of Tampa and I believe that's in 1976. But he had tore his biceps in high school. It wasn't a great big tear but it hurt and he ended up not being able to play baseball even as a walk-on at the University of Tampa. he stayed there.

And what he did was he joined ROTC, ROTC. And what ROTC did is, he earned a scholarship where for three years they paid his tuition and his board. And he committed to four years active duty and two years in the Reserves.

So Rob started -- I know him as Rob, he's not Rod, he's Rob, but I'm going to try and use the word "Robert" so anyone doesn't get mixed up. I'm going to try and remember to use Robert but I know him as Rob.

What Robert did was, he graduated from the

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1 University of Tampa in 1977. His freshman year he took western civilization. And he met at that time a very pretty blond, in his opinion, and the next year they started dating, in 1977 when he graduated they got married. And he married Julie who became -- and they're married to this day for 34 years. That's his wife (indicating). And I'm going to get into, she made some decisions regarding what Rob did when we get to 2008. So I want you to know who Julie is. And there's Julie right there (indicating), Robert's wife and best friend. Her son Alex is sitting right next to her. They have one child.

What happened was, Robert after graduating from the University of Tampa went to graduate school at Florida State. The Army didn't pay, they gave him a deferment that he could wait before he had to serve active duty for a year and a half, and Robert graduated with a master's degree in history and western civilization and he then went into the Army. He went in. He fulfilled his commitment.

And Robert's dad was a field artillery soldier in Eastern Europe during World War II, the Yugoslavian Army. Robert wanted to pattern his life after his father, so Robert joined the Army.

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1 went into field artillery training at Fort Sills in Oklahoma.

when Robert got down there, they offered a Persian missile course where he could be in charge of Persian missiles. They did a background check on him, they gave him top secret clearance, and that's what he did. And he graduated from that school, it took six months. They then sent him to Germany and he was a platoon leader, first lieutenant, then became a captain and, to sum it up, he stayed overseas for five years -- or, I'm sorry, three years, he came back and stayed in active duty for five years.

But I want you to know as you hear this evidence who Robert Blagojevich is. To get that type of top secret clearance, he had to have a complete background check. And he did that. He got further top military clearance. And let me tell you just a short bit about what Persian missiles are. If this great country gets attacked by someone, the thought of the Army is, they're going to hit our stationary missiles, our nuclear warheads. So what we devised was, the Army did, is these Persian missiles. And they were mobile, and you could move them around Europe so if the enemy, if they attacked

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1 us and knocked out our nuclear weapons, couldn't get these missiles. That man was in charge of them. had 35 people in his platoon, he had a brigade of 1500 soldiers guarding those missiles. He was in charge of three nuclear warheads. He had the same top nuclear clearance, top secret clearance that our joint chiefs of staff had and NATO did. debriefed sixteen NATO generals while he was in Europe watching these Persian missiles.

So he came back to the United States after three and something years and he went to school again and got further studies and got higher clearance. I don't know how you do that, but you he did.

And in 1984 his active duty was over. went to go into the business world in Nashville, Tennessee, because that's where Julie's from. So he started off working for a bank, worked his way up, was in the brokerage and trust department. fifteen years at that bank. But in the meantime, he joined the Army Reserves and they had an MP unit there. Some of his friends from the Army told him about it. He served in the Reserves for 16 years. He'd have to spend a weekend a month doing that and two weeks a year for active training. And he did

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that. And you know when he did those two weeks?
When it was vacation time. Julie never got to go on
a vacation because he spent his two weeks going to
the Army.

And why am I telling you this? Because Robert Blagojevich is as you're going to hear now, you're going to hear for the next few months, you're going to hear it on tapes, is not about money. He's one of the finest persons I think you'll believe to have met when this case is over.

Now, Robert Blagojevich, the company he worked for, First American Bank in Nashville, Tennessee got sent to -- they bought a brokerage firm in Tampa. So Robert went back to Tampa. He was the CEO of this firm from 1997 to 2002. And as you can see, we're getting closer to 2008, so I'll get there.

But it's important for me to tell you about Invest Financial because they were the subject of an NASD, National Association of Security Dealers, plus an SEC investigation. All the acts that led to this investigation occurred before First American Bank bought this brokerage.

You know who they sent down there as the CEO to deal with the investigation of the SEC and the

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1 NASD? Robert. He went down there for five years. That company got cleared. No violations.

While he was down there, he re-united with the University of Tampa. He ended up on the Board of Trustees of the University of Tampa. In fact, before I forget, in May of 2008 he gave the commencement address. They asked him to do it to 10,000 people. You know what he told those people in the commencement address? Give back to your community, give back to your country, if you're fortunate enough to be successful, give back. And that's what he did.

Now, in 2006 -- now, obviously, Rod is his brother. Rod became Governor of Illinois in 2002. Rod went to law school in California, Robert is working in the Army overseas, he's in Tampa. They're half the world away from each other and certainly across the country. They weren't close. That wasn't on purpose, but they weren't. They were far apart. And they talked once or twice a month. And Rod, I'm sure Mr. Adam will tell you, he was in politics, he served our country in the Congress, United States Congressman, and then he became Governor in 2002. Robert really had nothing to do

with any of that. Had no contact.

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opening statement on behalf of Robert Blagojevich 610

They started talking. You know, when Robert came back to Nashville, they started talking more. And Robert came up here. Alex, their son, moved to Chicago, got a job here in real estate. And Julie -- and, by the way, Robert had worked -- when he came back from Invest Financial as the CEO, 6 because first American Bank got bought out by Fifth Third Bank, so Robert came back to Nashville, Tennessee, but before he came back he had taken Alex -- Alex who was going to be a baseball player too, and supposedly he was real good. So he took Alex to some different schools to let him try out. One night they're in a motel, it's 2:00 o'clock in the morning, Robert is bored, so he's watching TV, and who does he see? Carlton Sheets, the real estate guy.

I don't know if you've ever heard of him? The real estate guy, make millions in real estate. You know, it's the infomercial and you hear it for an hour. You know, not a lot of people do it, buy it. I didn't, it doesn't mean I'm smart, but Robert bought it, okay. It cost \$300. He studied that course.

And you know what he did? He got into real estate. He used his banking background for finance

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opening statement on behalf of Robert Blagojevich 611

and he started buying, you know, little apartment buildings that were beat up and, you know, people going through a divorce or foreclosure. And he start the hard way, from nothing, and built those up to where he was pretty successful. He had some commercial property, too.

And what happened was now because he wasn't working for the bank, he could support his family, Julie worked for the University of Vanderbilt as running the budget for the library and she worked 20 hours a week.

So they're in Nashville, they're fine, they're living comfortably, and he really hadn't talked that much to his brother.

2006, they come up here to see Alex and he goes over to his brother's house and, long story short, he campaigns for him in the Serbian community and with the Koreans and he had some fundraisers. Did he it for four months, didn't take one penny. Not a dollar. Didn't get his expenses paid. That's what he did to help his brother because he loves his brother. Even though they're not close, that's his brother, that's his blood.

So that was his little taste of politics in 2006. He's a Republican. He's not a Democrat. His

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opening statement on behalf of Robert Blagojevich 612

brother is a Democrat, not that it matters, but he's not into politics.

So he goes back down to Tennessee and comes back up in the summer of 2008, July, goes over to his brother's house. His brother asks him to come over to his house, and asks him to come alone, he came there. He talked to his brother face to face, man to man. His brother said look, I know you're in real estate now, I know that you have a little more time than you did when you were doing the banking and running the brokerage firm down in Tampa, so he asked him, would you help fundraise for me and run the FOB because Jeanne Ahren, the lady that was running it, was burned out and tired, would you do it for four months.

Robert said I'm flattered by the offer, but I'm not sure that's what I want to do even for four months. He said I'd have to talk to my wife about it.

So he went back to the condominium, to their apartment where they lived with Alex and asked Julie what did she think. Julie said, you know what, this is a chance to get closer to your brother, to show your brother that you do have some assets, that you're capable and let him appreciate what you can

do because you have a history in finance.

Now Robert at this time, his only experience in fundraising was through the International Red Cross and the YMCA. He volunteered and fundraised for those organizations. He in 2005 in Nashville, when we had Katrina and all that happened to our citizens, our friends, our relatives in New Orleans, came up to Nashville, Robert took a week off of work, worked 3 to 5 hours a day helping these people get shelter and get fed and donated \$5,000.

So he stayed with the YMCA, he was still with the Red Cross, and he would fundraise off the list that the Red Cross would give him. And he was the head of the Red Cross for a couple of years, he was the head of the YMCA for a couple of years. He's still active in them.

But he would fundraise and learned how to fundraise for charities. Not political events, for charities. And he'd do it off a list of people that donated before, that's how they did it. And that's what he did.

So when he came up here, that was his only experience in fundraising. And his brother asked him to help and Julie said, you know, your parents are gone, they wanted you two to be closer than you

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1 were, all you have is each other, do it. I'll sacrifice, I'll get a leave from Vanderbilt, I'll stay up here with you and we'll do it for four months, and we're going to see Alex, our son.

So he agreed to do it. He's not a professional fundraiser. He's not a politician. не doesn't know much about politics. Didn't get involved in the political end at all. He went to fundraising meetings. They gave him list, folks, donor lists just like they did with the Red Cross and with the YMCA and that's how he was taught to fundraise. He also met with attorneys who told him what you can and what you can't do, what's legal, what's not legal, and Robert followed the rules. Let me promise you, the evidence will show, Robert followed the rules.

Now, if he was going to call someone off this list and ask them to do a fundraiser, he may call them 3 or 4 times because that's him. He's persistent. Not once, you will not hear one scintilla of evidence that he shook anyone down, that he demanded anything from anybody. Never, folks. never. It's not him and he didn't do it and there's no evidence to it. Shaking people down, Robert Blagojevich? Never.

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Now, let's go to Magoon, okay. Their family had someone at Children's Memorial that the doctors there helped them. Children's Memorial was not the only hospital that benefited from this pediatric rate increase, okay, but that had nothing to do with Robert.

Patrick Magoon was the CEO in 2008, okay, of Children's Memorial Hospital. He had a lobbyist, John Wyma. He contributed to the governor, Rod Blagojevich's campaign from 2002 on, he was a contributor to the Illinois Hospital Association. In fact, I believe in 2008 he became the president of it. He donated to other candidates. He's political. But that's fine, that's not a crime. And Robert, he had donated before, his name is on the list, Robert asked him not for a contribution, to have a fundraiser. To have a fundraiser, the same thing he was going to do with Weiss Memorial Hospital and a few other hospitals. And he talked to people that knew people at these different hospitals and that's how he was going to do it. Not one word ever, ever did any fundraiser or contribution ever was contingent on any action from his brother, never. Never, never said it, never did it because he wouldn't, that's Robert.

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Now, I'm going to go into Jesse Jackson, Jr., okay. They said, they showed you snippets of a conversation that happened on December 4th at about 2:20 in the afternoon, okay. December 4th, 2008, the senate seat was vacant because President Obama -- Senator Obama is now the President. So what was going to happen was Rod Blagojevich had the authority to appoint someone to replace him. This had nothing to do with Robert. Robert wasn't Robert will tell you and the evidence involved. will show that he had no opinion on it. In fact, in that very phone call, December 4th at 2:20 -- strike that. Let's go back to the beginning of December 4th.

You know, at 8:19 in the morning, Rod calls up Robert and they talk on the phone and Rod tells him, Gery Chico is my choice of the day, I woke up this morning and I'm going to appoint Gery Chico, okay. In the last ten days Rod had changed his mind eight times: Oprah Winfrey, Valerie Jarrett. Oh, yeah. There's a list of them. You'll hear the names.

And that morning when he calls Rob, Robert, he told him, I know I change my mind every day, but this is who I like this morning. And he would

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1 rationalize to Robert why he made that choice. Not looking for Robert's input because what does Robert In fact, on that December 4th call at 2:20--and I'll get into that in a minute--you know what Robert says on that call about the senate seat and the selection process? I'm going to sit back and watch this on the news. That's how much input and involvement Robert had in the senate seat.

And properly so. He's not a politician. He's a businessman. He's not a political fundraiser. He came up to help his brother. That's it. And he never intended to violate the law. And he never did. And he never shook anyone down.

(Microphone noise.)

MR. ETTINGER: Sorry in the other room.

So that morning at 8:19 Robert, I'm sure he was up because Robert ran, he started off that morning talking to his brother at 8:19 because he was finishing up with FOB.

And, by the way, to come up here, yes, the government is right, the ethics legislation took place January 1st. It was illegal after January 1st to take contributions, certain contributions from people that had state contracts. Fine. They're going to obey the law. If it's illegal after

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January 1st, it's legal before. So Rod told Robert, you know, we can't get contributions after January 1st from anyone who had a state contract.

And that's what Robert did, okay, he went to fundraise. Never ever conditioned anything on anything. And he was taught that way and that's what he did.

So, once again, now back to December 4th that morning, you know, it's Gery Chico. Ten more times in that morning he talks to his brother. At 11:00 o'clock or 11:30 they go to a fundraiser. Robert drives over to Rod's house, they don't live far away, they get in a car, they go to the fundraiser, they spend an hour and a half there, they come back, Robert gets into his car and comes back.

Now, Julie is sitting in the apartment knitting. I mean, she's trying to work on Vanderbilt on the computer, doesn't know a lot of people up here, so she's cooped in, and Robert calls her up, you want to go to Starbucks, we'll have some coffee. "Okay."

This is a quiet time for Robert and his wife Julie in the middle of an afternoon. Yeah, she's going to spend a half hour with him. That's it. So he gets into Starbucks, they sit down. And I'm

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1 going to tell you this, if someone real important called because of fundraising, he would have talked to them, okay, but not long. He wanted to spend some quality time with his wife in Starbucks. And they both loved Starbucks and that's what they did in the middle of the afternoon.

And he's there five minutes, Mary calls, Mary Stewart, and that's the governor's secretary, his brother. Rod wants to talk to you. Yeah, okay. Не just spent the day with him. And God love him, but, you know, Robert wanted some free time, that's all. So he calls his brother, he doesn't have voicemail. The phone rang 20 times. You know, Robert is human, got mad, hung up the phone, now he's going to talk to Julie. And they have coffee and they talk, 20 minutes later here's Rod.

Now, Rod calls him up and that's the phone call you're going to hear. And it's 4 or 5 minutes or 3 or 4 minutes, okay. Rod is telling Robert that, as he had told him before, Lisa Madigan was a candidate for appointment for the United States Senate. And Rod's problem was that he was at a stalemate. Whoever's fault is that, I don't know, but there's a stalemate in Illinois, Rod can't get his bills passed, Madigan is blocking them. For

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opening statement on behalf of Robert Blagojevich 620

1 whatever reason, it doesn't matter as far as Robert is concerned, and I'm sure Sam will explain that to you.

So Robert, okay, he's listening. Rod tells him about these polls, that Lisa didn't get a lot of the vote and, you know, Jesse Jackson, Jr., was up there with the vote and he tells him, you know, if I make the people in Washington, Dick Durbin, the Senator, and whoever else, think that I'm going to appoint Jesse Jackson, Jr., they'll broker a deal with me to appoint Lisa Madigan and the only way Rod -- and I'm not taking away Mr. Adam's opening--but the only way they are going to broker a deal is if Michael Madigan comes out and says in public, "I'll stop blocking your stuff, I'll get you health care, I'll get you your capital bill, I won't raise taxes," that's all Rod wanted and he would appoint Lisa.

So what happened? He's trying to pressure Washington to do it and the way he's going to do it is to appoint Jesse, but if they won't broker the deal, he may appoint Jesse, anyway.

All right, fine. I mean, Robert is trying to have coffee in Starbucks, okay, at 2:00 in the afternoon. Rod makes statements 42 times. You know

1 what Rob says 32 times? Yeah, okay, yeah, okay. He's not paying attention. If I did that to my wife four times, I'd be in deep trouble.

So it gets to the point where Rod says to him: You know, call Nayak and tell him I elevated Jesse, and, you know, I don't like Jesse because when I ran in 2002 he said he'd back me for governor and he didn't, he didn't. So he said, he's got to prove it to me. Fine Robert says, I'll make the appointment, okay.

They keep talking. Robert just wants to get off the phone. He'll get up and tell you that. That's what the evidence shows, it's "yeah, okay, yeah, okay. You know, you heard the government, the little snippets, and think about it, "pretend the world is listening, be careful." "Be careful" means don't condition any fundraising on any official action. Pretend the world is listening? They are agreeing not to violate the law and not violate the law. So Rod at the end says to him: You know, we'll go over this in person, blah-blah, Rob, yeah, okay, fine. Rod changes his mind, meet him in person. Ah, okay, I'll meet him in person, okay, and he hangs up.

Now, you know what happened prior to that?

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1 Let me tell you that and then I'm done. On August 28th there's an Indian community that are politically active and for some reason they stoppe3d. They had contributed to Rod before, for some reason it wasn't going real well with him. So Rod and Robert and some other people that were friendly with this Indian organization decided to have a steering committee meeting so you get the heads of these different factions in the Indian community, get them together, Rod will show up, see if we can get them actively supporting him again because they hadn't been.

So the 28th of August there's a meeting with some of them. The real meeting is the 31st. And Rajinder Bedi, one of the board of directors of a local organization, comes up to Robert and tells Robert that we are willing to come up with half a million dollars if you appoint Jessee, Jr., and if you appoint Jessee, Jr., he'll give you a million dollars, he'll raise a million dollars for you. Robert says, "Mr. Bedi, I don't want to insult you but this is not what we do. Let me promise you one thing, money will not be a factor in my brother's choice for the senate seat. He will do what's best for the People of the State of Illinois," that's

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opening statement on behalf of Robert Blagojevich 623

1 what he said. And he said, "besides the fact that we don't even know who's President vet. We don't know if there's going to be a vacant senate seat."

He calls his brother or sees his brother Rod and tells him that, that I got this offer and they want to accelerate fundraising and I told them that we don't even know who's President yet and that's inappropriate. And you know what Rod said? "Okay," and they go on to a different subject.

On the 31st they have the steering committee meeting. Raghu Nayak, another one of the steering community heads from the Indian community comes up to Rod, pulls Rod aside, and it's crowded there and it's noisy, and he says to him: One, we can raise you a million, and then he goes, and Jessee can raise you five if you appoint him. Robert tells him the same thing, "money will not be a factor in my brother's choice for the senate seat. It'll be what's best for the People of the State of Illinois," and that ended. He didn't even go back and tell his brother the details of that. over on the 31 -- it was over on the 28th, okay.

But the Indians tried again. November 11th, Abu Patel, another person on the board of directors comes to the FOB office and talks to Robert and

talks about appointing Jesse Jackson. Which, you know, which is fine, but don't be offering money. He offers a million dollars that they can raise and starts talking about the rest, and Robert cuts him off and says to him, "let me get something straight, money will not, not be a factor in my brother's choice for the senate seat," let me repeat that to you, "money will not be a factor in my brother's choice for the senate seat. It will be what's best for the People of the State of Illinois." And you know what, folks? That's what the evidence is going to show.

On November 14th, 2008, Raghu Nayak calls up FOB headquarters—I'm just about done—calls up headquarters and tells Robert that — and they have a fundraiser plan for December 6th, 2008, and they're all trying to get people there and tells him that his cousin is coming into town and we're getting ready from the fundraiser and he wants the fax number to the FOB office. So he gives him the fax number. He faxes over two letters from different Indian organizations supporting Jessee, Jr. And Robert says, fine, great. Not one word about paying campaign contributions in exchange for anything, not one word about that except: I want

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you to know or your brother to know, we support Jesse Jackson.

Fine. So he goes back to tell Rod that he got the two faxes and I'm telling you about it, that these two organizations support Jessee, Jr., and Rod tells him: Well, tell him you didn't give it to me, because I don't want to disappoint them when I don't appoint him.

So that's the state of affairs with Jesse Jackson and Robert on any appointment until we get to December 4th. So December 4th, you heard that conversation, Robert and Rod talked the Fifth, they postpone the meeting with Nayak till the 6th at the fundraiser, Robert tells him on the 5th if he brings up money I'm going to tell him once again, one is not conditioned on the other if he brings it up, that we appreciate your support. And what he was going to meet with him for is to tell him that Jessee's elevated, Jesse's elevated.

So they go to the 6th, December 6th, they had the fundraiser and Robert sees Nayak, they talk, and Nayak says, what's Jessee's chances, and Robert says to him, "my brother is holding it close to his vest, I don't even know. Nayak says okay.

So they wanted Jesse, Robert is telling him

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1 he's in the running. No one is shaking anyone down, no one has demanded a nickle. Robert is telling him the opposite, the opposite. You'll hear it, you'll hear that evidence. And, folks, that's Roberts.

And, you know what, I want to tell you one more thing and then I'm done. Robert, it wasn't brought up by the Government, he did get paid for the four months he was up here. He didn't want any money but the Governor and his advisers, mainly his advisers, had meetings and told him he had to get paid market rate.

I want you to know what he did with 75 percent of the money he made. He gave it to charity. He gave 43,000 to charity. He only gave 17,000 a year before. 43,000 he gave it to the Red Cross, he gave it to the YMCA, gave it to the sympathy orchestra, gave it to the University of Tampa. Once again, I started with this, I'm going to close with this: He's not about money. He's an honest man. He's an innocent man. He never shook down anybody. They cannot prove beyond a reasonable doubt he committed any crimes because he didn't and that's what the evidence is going to show.

And at the end, I get to get up and tell you again: See what I told you in opening--it may be a

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opening statement on behalf of Rod Blagojevich
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  long time from now--but I'm going to get up and tell
         Remember what I told you in opening, I'm going
   to tell you in closing, I'm going to ask you to do
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   justice to this fine man, this great man, find him
   not quilty because he is not quilty. Thank you.
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          THE COURT: Mr. Adam.
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                          Thank you, Your Honor.
          MR. ADAM, JR.:
          (Brief pause).
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          MR. ADAM, JR.: May I proceed, Your Honor?
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          THE COURT: You may.
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     OPENING STATEMENT ON BEHALF OF ROD BLAGOJEVICH
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   BY MR. ADAM, JR.:
          Counsels, Governor, counsels, counsels, and
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   ladies and gentlemen of the jury.
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          Allow me a minute to introduce myself to you.
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   My name is Sam Adam, Jr., and I do, I have the
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   absolute pleasure of representing Rod Blagojevich.
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          Now, I know, I know after hearing the
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   government's opening you got a feeling; I know it.
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   I know when they put up here and they say that the
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   Governor was demanding $500,000 to this, and
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   $100,000 to that, and 50,000 here, 25,000, I know, I
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   know you get it in your gut; I know it. But by the
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   end of this case, I'm telling you, that man there is
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   as honest as the day is long. And you will know it
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1 where? In your gut. You'll know it.

Did you hear what the counsel here told you? This is the biggest corruption case, political corruption case in the State of Illinois, perhaps the country. And what did they tell you? He's broke. The biggest politician that's corrupt in America is broke. Not a dime, not a penny, not a cent. He's broke. That's what they're telling you you got to convict him on. He's broke.

And you know why he's broke, ladies and gentlemen of the jury? You know what the evidence in this case is going to show you why he's broke? It's not hard. He didn't take a dime.

They had, you're going to find out, 175 agents, umpteen numbers of U.S. Attorneys. This is the federal government, the same people chasing Bin Laden were chasing him; the federal government. And do you know how many accounts they found of his that had some money in it? None. Do you know how many checks that were written to him that was illegal? None. And they couldn't find it.

They told you, I'm not up here screaming and yelling, they told you, he's broke. And there's a reason for that. There's a reason for that. The man ain't corrupt.

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They put up there on that board about a POB deal. Do you know what a POB deal is? They didn't even explain it to you. A POB, that's called a pension obligation bond deal. What you're going to find out is that in 2002 he won, he won for the first time in 26 years a Democratic governor won. There was change going on like crazy. We've had 25, a quarter of a century of republican rule in this state, and he one as the first Democratic.

And what did he inherit? They told you. They said it sliding and slowly, but they told you what he inherited: A 3.5 billion dollar deficit; "b," billion. And they lay it on him.

And so he said: We got a choice here, we got a choice as a politician, my name is Blagojevich, in a state that's basically Irish, I won, a Serbian won, but we got to figure these things out here. What am I going to stand for? Am I going to stand up here and say I'm standing for the corrupt politician? No. You know what he said? I'm going to stand up and guarantee that the People of Illinois do not get their taxes raised. That's what the POB deal is about and you'll find out from right there (indicating.)

You don't have to take my word for it. You

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don't even have to take his word for it. I'm
telling you now, he's going to testify. I'm telling
you now. He's not going to let some chubby,
four-eyed young lawyer do his talking for him. He's
going to get right up here and tell you from here
(indicating) the reason that the POB deal came about
is because he wouldn't raise taxes and you had to
figure out at that time, 2003, are we going to raise
taxes on people or find another way to fund the

pensions, fund the unfunded obligations and

liabilities of the State of Illinois.

You don't hear anything about this. They just tell you something about 500,000. I'll tell you about that. What happened was that POB deal came up from a guy by the name of John Filan. I mean a genius guy. You're going to see him, he's going to come in here and testify. The guy can think up things we don't even understand, that's the kind of guy he is. And he said this is what the State of Illinois is going to do and it's never been done before, never been done before, we're going to issue bonds in 10-billion lots, 10 billion, the reason we're going to do that is because we can pay a lot lower interest.

Remember, this was 2003 and interest rates

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opening statement on behalf of Rod Blagojevich

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1 were coming down. We owe that 8 percent, we can borrow at 5, and we can sell those bonds, we can do it. You know how much money that came out of that? You know how much money they saved when POB finally went through? \$350 million because of him.

But you know what they told you in the opening that the evidence in this case will show you? Absolutely not true. He didn't pick a single firm to buy the bonds. Not one. You're going to find out that that POB deal was picked, done, completed by John Filan. A guy who ain't corrupt, a guy who's about as smart as anybody you ever met.

Now, you know what they told you here, you know what they said --

I can't even turn this thing on (indicating.) Remember they had that \$500,000 dollar up there from that POB deal? I'm telling you now, don't take my word for it, no, follow the money. Follow the money. We got four months here with them. They accepted the burden. She stood up here and said, "we accept this burden," you follow the money.

You'll hear everything you can from right here (indicating). I'm telling you, not a single penny went to a campaign, went to an account, went

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1 to his pockets; nothing. The \$500,000 went to a guy by the name of Aramanda who gave it to Rezko. do you know who Rezko paid, this inner circle, this wholly corrupt inner circle? Do you who he paid? He paid off his debts. You're going to find that out about Rezko. Rezko is the Bernie Madoff of Chicago. You're going to find that out.

He had pyramid scheme after pyramid scheme and fooled everybody, including, with all due deference, Governor, you.

He fooled him. Wait till you find out who Tony Rezko is. This is a man who build his career, his career fooling people. He started off in 1983 as a civil engineer, and then he started back in Harold Washington and that's when he started getting his political plays. And what happened when he backed Harold Washington? He ended up getting into a thing called Crucial Concession. It was the first minority business to do concessions for the City of Chicago on Lake Shore Drive and some of these parks in Chicago. And he started becoming a good businessman. And he started, as you'll find out, in 1999 he started a real estate, too, and he built himself up.

And in '89, he came in with a guy by the name

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1 of Dan Mahru and started a corporation called Rezmar. Rezmar exploded. And Tony Rezko, an immigrant from Syria. Syria, one of the poorest nations in the Middle East. He escaped Syria and came to America for two reasons: to better himself at first, to provide for his family.

One of the things I got to tell you about Tony, as Bernie Madoff he is, as bad as he is, that man loved his family. You'll find out how much in a minute.

In 1989 when Rezmar started, he started putting properties and building them up in the African-American communities in Chicago. By the time it was 1999, he was worth \$34 million, they had done over 30 tall buildings, rehabbed them all, over 125,000 different apartments. Tony Rezko was seeming to be one of great character, one of the great stories of Chicago. On the other side of that, he was also in the political game. You're going to find out that Tony Rezko wasn't just a fundraiser for Rod Blagojevich. Tony Rezko gave hundreds of thousands of dollars, raised hundreds of thousands of dollars to people like who? People everybody respects: Barack Obama. He raised hundreds of millions of dollars for the President of

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the United States George Bush. This man raised money for Dick Durbin, Harry Reid. He was not somebody that you look up and go, Jesus, man, I'm going to hide my purse.

This guy was the stuff. He was so good, I kid you not. I'm not making this up, you're going to find out right from there (indicating). He was so good he was considered and awarded the Arab American Businessman of the Decade by the Arab American community; of the decade. That's how good he was.

And the Governor saw it, Dick Durbin saw it, Barack Obama saw it. Had no idea what was happening to Tony was implosion. Tony got himself in businesses he couldn't sustain. You're going to find out that by 2003 he had gotten way off of just real estate and into businesses about money, businesses about food. You're going to find out, you know who bought the first Subways of Chicago, the first Subway? Tony Rezko. By 2003 he had 26 Papa John's here in Chicago, 15 Papa John's in Wisconsin, 7 Papa John's in Detroit. Everybody saw this as a great businessman, a man who knew what he was doing. A man who raises that kind of money must know the campaign laws and he saw the same thing.

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What you didn't know was that those Papa John's were failing and he got in debt, and he got in debt, and he got in debt, and what he started doing instead of coming forward and saying I got myself in trouble, he started borrowing money from here to pay off A, and then he borrowed money from B to pay back A, and then he borrowed from C and D to make sure they got paid. And every time--I promise you this is what the evidence is going to show--every time he lied to the person he was borrowing from.

And you know, when that POB deal that they put up there, that \$500,000 that they say he got? Follow the money. He didn't get, touch, see, spend, feel a dime. Tony Rezko did what he did to anybody who owed him money, he lied and he paid off his debts.

You're going to find out, without a doubt, the money came from a man by the name of Kjellander. I can't even spell it. It starts with a "kj," how you get "Kjellander" out of that I don't know, but it's Kjellander. And Kjellander was the guy who helped Bear Stearns. The Governor had nothing to do with Bear Stearns. Didn't pick 'em, didn't know them, never met Kjellander. That's how he made it

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1 here today. They're just saying these things.
2 Follow the money if I'm wrong.

Now, you heard some names that she brought up today. You heard them: Lon Monk. Lon Monk. This case today is the Governor's fault. And I'm being as honest with you as I can. It's the Governor's fault.

Governor, it's your fault.

He trusted one person. He lived with him, ate with him, went out with him, knew him and loved him. He's known Lon Monk since law school. They lived together. You're going to find out a little bit about the Governor.

The Governor comes from the northwest side of Chicago. He doesn't like me to say it, but poor. His father came over from Yugoslavia and worked in the steel mills hard every day, worked his hands to the bone teach so he can teach his two kids right from wrong. Just so he could teach his kids you work hard for a living. He was a living example of what was supposed to be. And Blagojevich knew it. That's what I call him, I'm sorry.

He knew it and he watched it. And his mother worked hard to the bone. Every day she'd come home tired. From what? Punching tickets at the CTA up

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1 on the north side of Chicago. The man had never been in a doctor's home, never been in a lawyer's home, didn't know any of it. But he knew one thing, he knew that when his father raised him, he raised him to do things the right way. He raised him to make sure you work hard, and he did.

You're going to find out a little bit about the Governor here. Instead of going to his high school graduation, you know where he went? To Alaska to work in the Alaska Pipeline with his father. Went up to Alaska. Why? So he could put money aside, put it in the bank to make sure he gets an education. And he did. That's the kind of man he is. You don't hear those stories if you read this stuff, but that's who the man is.

And he put that money aside and he went down to Tampa to college, and he left there and he worked his way into Northwestern and graduated out of Northwestern. And then there came a choice, a decision, do we simply get a college education or do we honor our parents and go as far as you can? He made it all the way to the Governor's mansion from a four-bedroom flat from the northwest side of Chicago.

He believed it. He knew it. He got accepted

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1 into Pepperdine. Pepperdine is about as far away an experience as we are from Mars right now from the north side of Chicago. It sits in Malibu. Malibu. You got an ocean on one side, you got beautiful manicured lawns and mansions on the other. You're going to find out, he's going to tell you this, you go down and get a coffee and there's Brian O'Neal, there's Farah Fawcett. It's a totally different experience.

And who should he meet? And you'll see him. A man who personifies California. You're going to see Lon Monk. 6 foot 2, beautiful tanned skin, beautiful hair -- maybe not as good as others, but beautiful hair; right. He personifies and Blagojevich liked him. He was a hard worker, he had ethics. He had this thing about him where you just knew. You know how you meet people? You just know, that's a good guy. And they moved in together and they lived there in Malibu and they shared experiences.

You're going to find out that the Governor, the Governor here, later on falls in love to a beautiful intelligent. And I'll get to her in a moment, Patti. Before he can marry her, you know what he does? He can't call, he doesn't write, he

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opening statement on behalf of Rod Blagojevich

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1 goes all the way to Washington, D.C., later on in 1989 and meets Lon Monk as a 32-year old man and say can I do this, and more appropriately probably for a 32-year old man, should I do this.

And how he trusted him. You're going to find out one last fact and then I'll move on. Lon Monk wasn't just a friend. Like I told you, he loved him, and there was a reason for it. He exemplified America. And I'm not overstating that, hear me out. when he's finally there and they got this relationship building, Lon Monk does something that Blagojevich has never done in his life before, he takes him to meet his father who is a specialized gynecologist. A gynecologist literally for the stars. And they pull up at the house and there they are, they get out of the car, and there's this beautiful house and this beautiful lawn and he knows Lon comes from value and he knows who he is and there looks out and he sees something he's never seen before, on Lon Monk's lawn are two peacocks, peacocks. This is a man who's been kicking rocks out of his back door growing up and this guy's got peacocks. That simplifies what we're talking about.

He goes inside and he meets his father. And his father is a runner. I mean a runner, 70

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1 marathons, the guy's got to be 70, 80 years old and still running marathons. And everybody knows the man runs, everybody knows that's what he's into. And he talks to him and he listens to him and he finds out the things that his father was teaching Lon, be honest, be good and have respect. That's what his father, Lon's father told him he had raised and he had seen it.

So what happens, ladies and gentlemen? get to him being in Congress in a moment, but what happens in 2002? The first Serbian Governor of Illinois history. The first Blagojevich probably to have been elected to office, ever. Who does he go to to help him with this campaign? Who does he go to to make sure things are done right? Who does he pick to make sure that as chief of staff the business is run the right way?

You're going to find out that the Governor is responsible and the State of Illinois has 52 billion dollar budget a year. You control 52 billion. You know the stakes are a coming, you know the jackals are a coming. And who does he put in place to protect him from that, to keep him from the Rezkos, to keep him from the Chris Kellys? Who does he put in there? Does he go down to the State of Illinois

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1 Capital Building and say, hey, Mr. Madigan, give me

2 somebody you can trust? No. Does he go over to

Mayor Daley and say, hey, Mayor Daly, I know you've

4 been entrenched with Chicago politics for I don't

know how long, give me somebody you can trust? No.

You know who he brings in as his chief of staff?

7 Lon Monk.

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Do you know what Lon Monk was doing in 2002? He was a volleyball agent in California. Volleyball. That's the guy he picks because he knows nobody. He knows nobody in politics. He

12 doesn't have to worry about somebody sneaking around

13 and running over to the competition, sneaking around

and going over there to somebody who's going to

steal things for the State of Illinois.

Lon Monk is trustworthy. And you know how he finds this out? After the election is won, do you know who is responsible for the roads and commissions? Do you know who makes the signs? Do you know who is the one that determines whether or not they actually do it? You're going to find this

22 out, Lon Monk. He trusted him. He trusted him.

23 How do you know this? How do you know I'm right,

ladies and gentlemen of the jury, how do you know

that's what the evidence in this case is going to

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show you?

You heard this very State Attorney's stand up here and tell you that of all the cash in this case he didn't take a dime, but they say they found out that Lon Monk did. That's what they say. She stood up here and told you that Lon Monk, Chris Kelly, the Governor and Tony Rezko were in a conspiracy to rip off the state.

Now, there's two things I want to tell you about that, two. Number one, when Lon Monk took cash, he will come in and tell you, he was in this conspiracy, the Governor knew this, the Governor did that, the Governor told me that. But do you know there's 4 billion people on this planet. Who is the one person he refused to tell him he took cash? Who is the one person he never told he took cash? Who is the one person he kept it from? Him (indicating). He hid it from him.

And you know why he hid it from him? It's not hard, it's simple. He ain't corrupt. If there is this organization going on that she talks about, if there's this whole scheme, Lon Monk, remember this, isn't just the coconspirator, it's his best friend, and he doesn't tell his best friend he's taking cash in May of 2004?

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He goes down, you're going to find out, and talks to the FBI in 2005. The evidence is going to show you, he doesn't say Blagojevich, look, I got this cash, what am I going to do about it, the FBI is talking to me? Nothing like that. He'll tell you, he refused to tell him. It's because there was no money.

The second thing I promised to tell you about is Stuart Levine. Stuart Levine. Now, I know I'm sweating and this is kind of apropos because once you hear about Stuart Levine, we'll all need Stuart Levine is about as corrupt an individual as you have ever seen. Even in the history of ever, this is the most corrupt man ever. He's a man that's going to come in here and tell you that 1972 to 2004 he has committed more crimes that he remembers. More than 100 crimes this man has committed. Stuart Levine, you're going to find out, is about as reprehensible as anything. I'll show you, I'll show you. This man, this man is so reprehensible that when they charge him with a crime he's facing mandatory life. Their witness they say is so bad he shouldn't walk amongst us, he gets mandatory life in a ten by ten by ten cell; crimes. Unless what? Oh, unless he comes in here and points

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1 at him and says he did something, and then you know what he gets? 5 years, 5 and a half years. Life to 5 and a half years for a 60 something old man. you know how many days he's spent in prison so far? Not one. All you have spent more time here than he has. Not one.

And you want to know the best part of it, ladies and gentlemen? You want to know, you want to know his connection to the Governor? There is none. He met him once. Once. I don't want, I don't want, maybe twice. He met him once or twice. Do you know how many conversations you're going to hear taped with him and the Governor? Zero. They taped 1724 conversations of Levine. Do you know how many there was with him and the Governor? Zero. None. Thev tape him with about 5500 conversations of the Governor. Do you know how many they're going to play between him and Stuart Levine? None. zero.

He doesn't know the guy. He was a republican, get this, a republican who was the chairman of I guess the fundraising committee for Jim Brian. Jim Brian, one of the most respected politicians ever in the history of Illinois was his best friend, went to law school with him, put him on the chair of his finance committee, and you're going

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to find out Stuart Levine gave him half a million dollars. It's another Madoff story and it's true.

But what you're going to find out about Stuart Levine is, while I'm sitting here telling you just how bad he is, again for 32 years nobody knew it; nobody. The evidence in this case is going to show you, he has been committing more than 100 crimes for 32 years and the FBI couldn't find out.

You're going to find out that this was one of the top international businessman in the history of business. He was so good he at one time was worth \$70 million. Businesses here, businesses there, businesses everywhere. He's so good. And I wish I could get credit for making this up, but the King of Sweden knighted him. He's Sir Stuart Levine.

He fooled everybody, but he caught the Governor's eye. All that happened in this case, ladies and gentlemen, and you're going to see it, is the Governor made a mistake; he did. The Governor's judgment is horrible, I mean horrible. Maybe after this maybe he's got bad judgment for his lawyers too, but I just tell you horrible, horrible. He trusted Levine.

You know who appointed Stuart Levine to the TSR Board? Not him, Jim Edgar. You know who

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1 appointed Stuart Levine to the Health Facilities Planning Board? I don't remember them mentioning that, but it's HFPB, Health Facilities Planning Board. Do you know who appointed him to that? Not It was George Brian. All he did was say it's coming up, reappoint him, so he got reappointed. The whole connection you're going to find out is that Bernie Madoff, Rezko, got in touch with Bernie Madoff II, Lon, and they conspired and schemed and he knew nothing about it.

Do you know what his connection to Capri Capital? You'll find out about these names, but remember that, Capri Capital. Nothing, he knew nothing about it. Do you know how much money he got out of Capri Capital? Nothing. Not a dine. There's another name, a guy named Tommy Rosenberg that they supposedly, quote/unquote, shaked him down and this type of thing, do you know how much money he got from that? Nothing; not a dine. Do you know how much they can show he asked for? Nothing; not a dine. Do you know how much cash they're going to come in here and prove that he got? Nothing; not a dime. Do you know many envelopes that you'll find out he got? Nothing; not a dine. The man, according to them, is broke. He didn't Rob us.

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What happened here, ladies and gentlemen, is he was fooled. Absolutely fooled. And you'll know it because you're going to spend four months with him, you're going to see how it happened. He's a big-idea guy. That's all he is. And if you watched him at all as a Governor, you'd know it. He can get up there and yell and scream about big ideas, but when it comes to the minutia of it, you're going to hear him saying: Yeah, America is wonderful for one reason and one reason only, because of the hard work of the people, this is the only place where the C student can get the A student to do this stuff. That's him. I got the big ideas, you guys do it, and Rezko took advantage of that, Levine took advantage of that.

And if he didn't, seriously, if he didn't, the evidence is going to show you that there was a 52 billion dollar budget, billion, and he couldn't figure out how to get a penny out of 52 billion? You got to be -- you have to be comatose if you can't figure out how to get a dollar out of 52 billion. But you know who did it? Them. And then the government puts up there that they arrest these people. They arrest them: Chris Kelly here, and they arrest Rezko here.

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opening statement on behalf of Rod Blagojevich

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Let me tell you one last thing about the first part of this case and how you're going to know he's not corrupt. Nobody knew about TRS and about the Health Facilities Planning Board until the feds started investigating Levine in May of 2004.

Now, remember, they're going to come in here and tell you there was this deal where the four of them got together and planned out that they were going to steal money from the state, that Rezko was somehow, some way gonna put it in an account and hold it for him after he became Governor whenever that might, and if he became an ambassador or something, just hold it somewhere, somehow. Wait till you find out if they got an account. But if that's true, why in 2004, May, when it finally comes to his attention, nobody comes to him before that, nobody. They're not going to have one witness come in here and tell you: You know I went to Blagojevich and I told him, you know, Gov, people are selling things here, people are doing the wrong things here, are you sure this is how it's supposed to be done, are you sure we should do it this way? It's not until the feds started Not one. investigating in May of 2004 Levine and Rezko.

And you know what he does? He finds out from

a person by the name of Susan Lichtenstein, his corporation counsel, and Lon Monk down in Springfield. He flies back up here and he meets with Tony Rezko, Chris Kelly, Lon Monk and him. And do you know what the conversation is? And you don't have to take my word for it, you don't even have to take his word for it, Lon Monk will tell you this, Lon Monk told the feds in 2005 and told them in 2009, the thing that Blagojevich says to Rezko is what: Are you doing something at the Health Facilities Planning Board?

Now, if they were in a conspiracy, he'd know they were doing something. And Rezko tells him no, I'm not doing anything over there. He lies to him.

Now, if that were the end of it, ladies and gentlemen, you might say well, that might be a put-on. Do you know what the last thing he does? He sends Lon Monk who goes to the Inspector General who is a law enforcement agency for the State of Illinois to investigate corruption, the IG. Do you know who the IG is? A person by the name Z. Scott a U.S. Attorney and she investigates. He turns them on to Rezko. He did (indicating). The man they say that he is in cahoots with. He turned them on to him himself. Nobody would do that. I don't care

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how crazy you think the man might be, nobody would do that. He turns the inspection on them. And they got nerve to put these things up here. Not a dime.

And they investigated and found nothing. And do you want to know the next thing that happened, the next thing you're going to find out, when they couldn't find a dime on him, do you know who they picked on, who did they go after? Patti.

Let me tell you about Patti. She stood here and told you Tony Rezko was paying her off. Let me tell you a little bit about Patti. There was an agreement by Tony Rezko and the Governor that, look, if you're going to help me pick these people, do these things for me, and you're going to fundraise and you're going to make sure I have a diverse administration, he knows a lot of contacts in the black community, he knows a lot of contacts in the Arab community, if you're going to do that, then you can't do state business. I mean, the evidence in this case is going to show you, that would be the easiest way to simply get money, give the guy a contract, he kicks it back to you, he makes sure Tony Rezko does no state business. And that's why Patti goes to work with him.

Now, let me fill you in on Patti. Patti is

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the daughter of one of the most powerful aldermen in the City of Chicago, Richard Mell, Big Mell. Patti determined I'm not going to be a princess, an alderman's daughter princess. I'm going to get out here and bust my bones. I have two daughters, I want to make sure they respect a woman who works. You don't need a man to go out here and do it. I don't care who my father is, I don't care if I marry the Governor of the state--which she ends up doing--I'm going to work.

So what does she do? She goes to college. Busts her butt and gets good grades and graduates. Is that the end of it? Is that enough for her? No, she goes out in 1989 and gets her real estate license and begins to delve in real estate. Is that good enough for her? No, she says I can do better than that, I'm just as good as a man, and in 1989 after 10 years working in a manufacturing company and doing real estate on the side, she says I can do better and she gets a real estate broker's license. She's a broker. Is that the end of it for her? No, I can do better than that, and in 1999 after getting her broker's license she says, ah-ha, there's a thing called a two-fer, I can do two things for one person and get paid to do those things and she goes

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out and she gets an appraiser's license. Is that good enough for her? No, in 2003 she says, you know what, I got at least 2500 hours of appraisal work, I've been busting myself to the bone, I'm going to get myself a master appraisal's license. And in 2500-hours at a 4500 hour course and she passes it with a 94. Is that good enough for her? No, you're going to find out in 2008 she goes and gets her Series 7 license so that she can trade stocks, so she can do things with the SE -- I don't know what the Series 7 is but she's doing it. Is that good enough for her? No. You're going to find out, I'm not making this up, you're going to find out that she gets Series 66 license, she teaches herself these things and passes that. Is that the end of it? No.

Patti Blagojevich is going to get here on the stand and answer these questions, there's no doubt about it. And when she sits up here you're going to find out all the things I said are true and more. That because of the investigation of her husband, because of the FBI in 2003, 2004, 2005, 2006, 2007, 2008 and all the way up to today they have been going and questioning her clients, she can't get business. So the last thing she does, all those

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1 degrees, all those licenses, now she had to finally find a way to sell insurance. Now she's got her insurance license. This woman has got more degrees and licenses than Westwood College Office. And she's a good one and she loves her man.

They came up together from 1990 and they got two kids and they're making it, man. This woman loves her man and understands who he is and stands by him. So when you hear when it comes up that she's on tapes sometimes saying, "fuck the Cubs," that's because the Tribune went after him, that's because the Tribune kept saying impeach him, that's because she's a good woman. She's a good woman and she worked. They didn't tell you this, they didn't tell you this about Patti. They say Patti all of a sudden opened up the mail and Rezko had a check in the mail. They didn't tell you that in 2001, February 1st, 2001, she entered into a contract with Rezmar, a written contract that she would be a buyer/broker agent for Rezmar and it was a two-year contract, and when that expired she had a baby, and in October 1st of 2003 entered into another written contract that everyone knew about, that was publicized.

And that contract wasn't written by her, Lord

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1 knows it wasn't written by him (indicating), that contract was written by a top, and when I say "top" I mean a top lawyer, under 40, a best top lawyer, a guy by the name of Brian Hynes who sat down with him and said, look, this is what we're going to do, this is how it has to be done and it has to be legal, and they wrote out the contract.

And the contract provided in writing that Patti can do something called prospecting, just like in 1948 when they sent them out to get the gold and sent it back east, prospect, find buildings, more than a million, and if we buy them you get the commission. She's a prospect. She could real estate, be an agent, she could assess, she was a two-fer and she did it.

You're going to hear the address of 1101 west She did the work. She sat down with Tony Lake. Rezko and went through the plans and told Tony: Look, I understand this, and get this right, I understand that the buyer and the seller know one another, so I don't have to go through all these things and call and set up dates, but what you need to know, what you gotta do is make sure you got a good deal for yourself.

And she sat down with Tony and she sat down

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1 with the lawyer and explained to them: This is Chicago, you're going to see contracts here, in Chicago what's the most important thing when you get real estate other than location, location, location, location? Parking. Probably better than location nowadays with parking. And you're going to find out that the first contract they had, the buyer and the seller of 1101 West Lake didn't contract for gas, heat, water, electric or parking, and Patti went through the plans diligently. And you're going to find out they subpoenaed her records and right in her records are the plans. It's not as if she was some kind of ghost pay roller, she's got the plans, she went through them. And you know what ends up on the very last contract? Gas, heat, water, electric, parking. She did her job and she got her commission.

And even that, ladies and gentlemen, Patti was doing business in that contract under a business that she developed called River Realty. And you don't have to take my word for it that she did the work, you don't have to take her word for it that she did the work, the lawyers who drew up the contract were Shefsky & Froelich.

On January 21st, 2004, Shefsky & Froelich

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sent the Chicago Title company a letter:

"... I write to notify you that Chicago Title and Trust erroneously issued the broker check for the above-referenced transaction to River Realty. The buyer/broker in this matter and the entity to which the check is to be reissued is Rezmar ..."

River Realty did the work on this transaction but Rezmar was the buyer's broker of record, River Realty, Patti, did the work and she got paid.

And, lastly, you know how they hid it, you know how Blagojevich and his wife did with all that money? They paid taxes on every dime. They declared every dime. The federal government knew she got a check, knew where the check came from, how much it was, and she paid her taxes on every single dime. You're going to hear from an expert, Lee williams, come in and tell you, everything was done right.

I know, I know, I got a little bit to go.

Once we settle that, there's a couple of more issues. I'm not going to be able to get to everything they say because I'd be up here literally five days and Lord knows we got to get going on this thing, but let's talk about the second part.

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All these things they put up there about him demanding money. You wait and see, ladies and gentlemen, you heard about the school and Rahm Emanuel. When they call Rahm Emanuel and he sits up here, you wait and see if he tells you he was ever extorted. You wait and see. You know what you're going to find out? The school got their money. You want to know what you're going to find out? He never had a fundraiser. You want to know how many times Ari is going to come in here and tell you, he was never asked to do a fundraiser or anything like that. Never, not once.

You know how many tapes you're going to hear of him saying anything about the Chicago school not getting their money? Never, nothing; it didn't happen. They got their money, that's it.

Now, how do we find ourselves there? Because in 2005 what happened in this case is very simple. Once it came to his purview that Rezko was not who he said he was and Chris Kelly was not who he said he was, he said that is it, enough, I am not going to be in a position from here on out where I don't have legal counsel doing these things.

And he went out and determined in 2005 that I'm going to find me the best lawyers that the State

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1 of Illinois can offer. And you're going to find out he did. You're going to find out that a guy by the name of William Bill Clinton -- oh, no, not Clinton, Quinlan. Sorry. Sorry. Sorry. Ouinlan. let me get -- okay. Quinlan, Bill Quinlan, is one of the best lawyers this state can offer. You're going to find out he's the top 40, you're going to find out he made super lawyer in 2007, 2008, 2009, 2010, as he sits here now, a super lawyer, and you know who he was? The Governor went out and got him and named him as his chief counsel, a lawyer. And then he says, you know that's not enough, I want to find the best law firm I can find or law guy I can find to make sure he's my special counsel, and you're going to hear about John Harris.

You're going to find out John Harris pled guilty here and nobody can tell you why. Harris was about straight an arrow as you're ever going to find; ever. This is a man who dedicated his life to law enforcement. You're going to find out about John Harris. John Harris being out of law school and went in the JAG Corps in the Armed Forces and he came out a captain. And you know what he did in the JAG Corps, what they do (indicating), prosecute. This is a prosecution-oriented man. He

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1 lived his life by the law. You're going to find out after that John Harris gets a job with the City of Chicago. Do you know what that job is? Deputy Superintendent of the Chicago Police. This is a cop. This is a man who's dedicated himself to law enforcement. And after that, when the Daley administration had what they call the hired truck scandal, they bring him in to clean it up. And he becomes his special counsel in his chief of staff.

And that wasn't it. You're going to find out he went out and he got a man by the name of Greenly, educated at Yale, law school from the University of Chicago; Bradley Tusk, law school University of Chicago; Sheila Nix, lawyer, don't know where she went. He surrounded himself by them.

And you're going to find out and there's absolute evidence of this, he talked to them every day, five, six, seven times a day. You're going to find out that, unfortunately, after all these things happened, you got a man who is probably--and he's going to kill me for saying it--but he's probably one of the most insecure man you are ever going to see. He checks constantly, am I doing this right, can I do this, are we doing this right, can I do this.

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You're going to find out he calls his lawyers so much, they won't take his phone calls. You just heard it from his own brother, won't take his phone call. You're going to find out, Lon Monk, after getting out of his administration, has to lie--get this--lie about his sick father so he'll stop calling him, he says I'm going to visit my father, don't call me, when he's actually in the Dominican Republic drinking sodas and Cokes and rum and stuff.

That's him. He calls constantly. He's got to have his advise, he's got to make sure what he's doing is right. And you know what you're going to find out, out ladies and gentlemen? I'm telling you now, how they stood up here and said, see, he wanted HHS because it benefited him, he wanted this thing called Change To Win because it benefitted him. Do you know who came up with that? Do you know who created all that? His lawyers. His lawyers.

You're going to find out that once Chris
Kelly and Tony Rezko were gone, he sat down with
John Harris and he sat down with Bill Quinlan and
ask them tell me how to do it right and you're going
to find out that his state of mind is: I got to
know how to do this, I want to make sure I don't get
Tony'd up anymore, I want to make sure I do it

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opening statement on behalf of Rod Blagojevich 661 right. And they sat him down and they said, we'll 1 deal with it, and they went and researched and they came back and sat him down. 3 And John Harris at the Governor's mansion 4 Governor, this is what you have to know, you 5 said: got to know it in your mind, we can't have anymore problems with fundraising, the circuit that we're in, Governor, is the Seventh Circuit, and the law in the Seventh Circuit, I want to make sure you got this, I want to make sure you get this right. I got 10 it, I got it, I got it. Okay, the law in the 11 Seventh Circuit absent some explicit language 12 otherwise accepting a campaign --13 MS. HAMILTON: Your Honor, I'm going to 14 object. 15 THE COURT: The objection is sustained. 16 MR. ADAM, JR.: May we have a sidebar, Your 17 18 Honor? 19 THE COURT: No. MR. ADAM, JR.: He told him, there's a thing 20 in the law called a guid pro guo and that means you 21 have to explicitly tell somebody I'm doing this if 22

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you give me that, or I won't do this if you don't give me that. It has to be expressed he was told.

MS. HAMILTON: Objection.

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MR. ADAM, JR.: That's what he was told.

THE COURT: I'm going to sustain the objection for now. I would actually have to hear that evidence before I could rule. So if this does get in, you can raise it again at a later time. For now I'm sustaining the objection.

MR. ADAM, JR.: Yes, your Honor.

You're going to find out they sat down and they had a discussion and it shaped his state of mind from that period on. It shaped his state of mind.

You're going to find out what he believed.

He's going to tell you what he believed, he's going to tell you what he was told. There is nothing wrong with accepting campaign contributions.

Nothing wrong with it. In fact, that's how the world goes, that's how you get elected. The problem is when everybody says, if it's pay or play. That doesn't mean pay or may be. That means in order to play, you have to pay, and you got to be told it.

And the Governor did all his actions from that period on on the advice of his lawyers. And you're going to see, you're going to hear, they have taped 5500 conversations, 2000 conversations on the Governor's home phone or whatever it is. He's

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1 talking to his lawyer about everything. You're going to find out that the straightest arrow, John Harris, the man who's lived his life told him, don't take campaign contributions for the senate seat, you can't do that, he says I know. If you want, if there's something out here that you think you can do better, if you think you're better for HHS because of health care, then you can make a play. And who came up with this idea of Change to Win? Not him; John Harris said it, there's nothing wrong with the political position for a political position, you just can't take money.

And that's why they can't find a dime, because he never took one. His lawyers advised him on everything and you'll hear it from him and when they come in here you'll hear it from them.

Now, there's two last things. I could talk to you about John, but I just did. There is no pay to play there. You're going to find out on a racetrack bill John said in April I got \$100,0000 for you; oh, thank you. And then all when it comes time eight months later to sign a bill, John says, well, ah, I know I'm supposed to give \$100,000, just sign the bill. It's a shakedown of him: Sign the bill and you'll get your hundred grand.

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By the way, they weren't losing \$9,000 a day. Let me get this clear for you. You know what the racetrack bill is? That racetracks will get money from casinos to share a profit. Racetracks will get welfare from the casinos. They didn't lose \$9,000 a day, the casinos just weren't giving them the \$9,000 a day. You'll see all of this. But he followed the letter of the law.

But there is two everybody wants to know and then I will sit down, there's two, we know there's two: Children's Memorial and Jesse Jackson and I know you want to know.

Let's take Children's. I have a confession, it's reprehensible to me, but you are going to find out that he was cheating on Patti. You are going to find that out. 162 days a year that man was cheating on Patti: He loved the Cubs like nobody's business. Like nobody's business. That was his mistress. I can stay up late at night, maybe not even come home watching the Cubs. He loved them. He can sit there right now and tell you anything you want to know about it; batting averages, batting stances, managers, people who weren't even on the Cubs, and he can tell you anything and everything about the Cubs. He loved them. And this is about

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Children's Memorial. You got to understand a little background and then you'll understand the Cubs part.

The background is, the Governor had a philosophy in politics, and that was I gotta stay independent.

And the way you stay independent is to make sure you

And the way you stay independent is to make sure you have your own campaign contributions.

If I want to fight for something downstate, I can't be beholding to Madigan, if I want to fight something downstate I can't be beholding to Emil Jones, who you're going to find out is the president of the senate. I got to stay independent, I got to stay independent.

And so yes, did they take an aggressive attitude toward fundraising? Yes. Did they break the law? No. But that was so that, bam, if you can stay independent you don't have to bow down to Madigan. And so that's what he did and Madigan did not like it.

Madigan is the Speaker of the House and he started blocking any and everything. Now, you're going to find out that in 2008 there were two things that were important, there's the capital bill and a general budget. The capital bill is for the infrastructure of the state. If you want to build a bridge, you want to build a road, it's got to come

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1 out of the capital bill because that's the infrastructure of the state. And Madigan blocked it. Wouldn't call bring the bill on to the floor to be passed. He wouldn't call the bill.

And the second thing is a general budget, and that's everything else. If you want to pay anybody in the state police, it comes out of the general budget, if you want Medicare payments, it's gotta come out of that. This is what Madigan did. He was brilliant. He says, this is how I'm going to get him is this way, that Governor is a pain in my butt, bam, if I don't do the capital bill, what's going to happen? All of those contractors who are supposed to get the contracts are going to blame one person, and you know who they're going to blame? Him. Governor, work it out with Madigan down there.

And the second thing is the general budget. Now what happens? What Madigan does is, he adds 2.5 billion to that. It's just like our homes, ladies and gentlemen, if you're spending, you gotta bring If you're spending, you gotta bring it in. Madigan added 2.5 billion to the spending.

So he's got a choice, one of two choices, either raise taxes on us or cut. And he, from day one, in the POB deal, he won't raise taxes. So what

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1 does he do? He spends all summer of 2008 cut, cut, cut, cut. And you know everybody is getting angry. Cutting out state parks, the tree hovers are going nuts. You cut out Medicaid payments, everyone is going crazy because of all those things that are going on for Medicaid. Everybody is going nuts.

So what does he do? You're going to find out from Bob Greenly, you're going to find out from the people. He gets the mentality, I don't need to see anybody because they want two things, they either want me to give or they want me to cut somewhere else and give some more. So he backs up and he won't take people's phone calls.

And you're going to find out about Patrick Magoon. In the late summer Patrick Magoon starts calling. He feels so comfortable--he's the president and CEO of Children's Memorial--he feels so comfortable with the Governor he calls him personally and the Governor won't take his calls because he knows what it is, give us some money. But I gotta cut; give us some; but I gotta cut. And he calls him, and he calls him, and he calls him, and he won't take it.

He feels so comfortable with his relationship with the Governor, you know what he does? He writes

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him a note: Please, please Governor, please. And the Governor won't respond because he's got to cut. Patrick Magoon is not a dumb man. You're going to find out he gets paid \$913,000 from Children's. Talk about cancer that could be resolved, if I heard 913,000, that's what the man gets paid by paid by

what happens? He goes, ah-ha, I know how to get the Governor, I'll get the one person in the world of everybody in the world, I'll get the one person in the world I know will take his phone call. And you know who that is? You think Patti, right? Dusty Baker. This is going to come, Magoon calls Dusty Baker and says please get a hold of the Governor. Dusty Baker, the former manger for the Cubs at the time at Cincinnati Reds, okay. And you know what happens? Dusty Baker calls him. He takes his call, of all the people in the world, he takes his call. Dusty, hi, how's it going, I'm a great fan, what do want? Dusty, it's good to hear, what do you want? Can you do \$10 million for Children? Dusty, for you, you got it. You got it. And he gives Children's Memorial 8 or 10 million dollars.

Now, you wait and see, if you hear one conversation, one, where the Governor says hold that

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Children's.

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1 money up, slow that money down. You wait and see if you hear one. I'll tell you what happened here. After he gives the money, commits to it, tells his people to do it and it's in the process, he finds out that Patrick Magoon is the head of the Illinois Hospital Association, the head, the IHA. The IHA is the biggest hospital association in Illinois. They have previously given him \$575,000. Knowing that he's the head, he asks his brother, and you'll hear it. It doesn't say, you better tell him to give me my stuff, he says, can you ask him to do a fundraiser. And Pat Magoon won't answer his call, his brother's call. All the things Pat Magoon did to get a hold of him, he won't even call his brother back. And does he call up and say stop that stuff, I'm not doing it, hell with Magoon? No. Do you know what he does: What did I tell you was going on at the state at the time? There were budget concerns. There was no general budget. He had to cut. And he calls up Greenly and he's angry, he's angry and he says: Look, if we had to, if we could, if we needed to, could we pull that back for budgetary concerns? And the guy says yeah, you could. Okay, that's good to know. Why does he do that? He wants to tell Dusty

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1 Baker, next time, Dusty, don't call me when Magoon gets ahold of you. That is it. I'm not making that up. I'm telling you what the conversation was. The day he is arrested, he thinks it went out, he thinks Children's got their money. He never told anybody not to do it. Not one. He asks a simple question, and that's their evidence and you'll hear it: If we needed to pull that back, could we do it for budgetary concerns. Yeah, okay, that's good to know, I'll tell Dusty. That's Children's Memorial.

And I know what everybody thinks. He never stopped anything. He never stopped a child from getting help, he never stopped a kid from getting In fact, you're going to find out that the cured. minute he found it it didn't go through, as Governor indicted, he told them you better get this over there; that's Children's Memorial.

Now, the last thing is Jesse Jackson, Jr., and that's about as upsidedown accounting as you will ever find. This man was taking not a dime from Jesse Jackson, Jr.; not a dime. What happened, just like Children's, is another Michael Madigan story. Michael Madigan was blocking everything. Everything he wanted was blocked and there was a log jam down there. And the Governor had this thing that's

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1 golden, you saw it up there and I'll tell you about that in a second. This thing that's golden, this was the first time in American history we had a black President, a black President that comes from Illinois, and a black seat, and this is the first time that a Governor had that kind of decision in Illinois, the most powerful, the biggest decision of his entire administration, we have to appoint somebody to that seat.

And there's all kind of politics behind it. You're going to see and you're going to hear, he's going nuts all over the place. Listen, this is just life, man, listen this is an African-American seat, do I appoint somebody who is African-American? If I don't appoint somebody that's African-American, goodness they're going to be all over me. about an Hispanic? I can do an Hispanic. that's a good thing, too, but what about over here, what about Lisa Madigan, what if I do Madigan?

You're going to hear he goes through 85 to 90 names, but the number one person from day one to the end is Lisa Madigan. Why? Why? Because of what he can get by appointing the man that's blocking him, his daughter. Now, that's real, that's what the evidence in this case is going t show you.

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And you don't have to take my word for it, you don't have to take their word for it, he's going to get up there and tell you exactly what was going on, the face in the pie, the things he said and to who.

You're going to find out that his number one pick, number one, was to stop that log jam down there and get things for the People of the State of Illinois. You heard her say in the opening statement, he should be concerned with that. Wait till you find out how many times you're going to hear it. She says you won't, I'm telling you you will. Every day, let's do something right for the People of Illinois.

And this is what he said on November 28, you're going to hear it, he's going to tell you, when it comes to Lisa Madigan this is what we're going to do, here's the list, we got to pass an infrastructure bill to create 500,000 jobs, we're going to make sure there's no roll backs on all kids healthcare, universal testing for prostate and testicular cancer, we can ensure 300,000 poor people who don't have children who are not eligible for Medicaid through the Illinois assist program, we don't want to raise the income or sales tax between

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1 now and 2012, we agree to balance the budget for the next 2 years, you got to do all that and you're starting in December and maybe they'll do it, we can get it done by my birthday December 10th. Do you know when he's arrested? December 9th.

Now, let's talk about that. Michael Madigan won't even talk to him, Lisa Madigan's got investigations going out the wazoo, won't talk to him. How do you get this done? How do you get this done? You gotta have an intermediary. And you're going to hear it and you're going to see it: You gotta get an intermediary. And you know who ends up being the intermediary? The person they say he tried to extort, Rahm Emanuel. Rahm Emanuel calls on December 8th and tells John Harris, I'll do it, I'll be the go-between. And do you know how that arose, do you know how he got to that? Because the people in Washington, the big shots, and I mean big shots, the Dick Durbins, President Obama, Rahm Emanuel, do you know what they wanted more than anything? That that senate seat be held by the democrats in 2010 and Jesse Jackson, Jr., couldn't keep it. They didn't think he could win in 2010. And they did everything they could to let him know.

You're going to hear that Harry Reid called

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1 him and says that basically, whatever you do, there's an old expression, Lord just send me somebody, and they were Lord just send me somebody just not Jesse Jackson, Jr. Well, but -- no, not just Jesse Jackson, Jr., Lord please. That's what you're going to find out. And he used that. And you're going to hear it, you're going to see it, he knew it and it was working, if I met with Jesse Jackson, Jr., if I make those guys out there think he's coming, oh, Lord, they'll do for me as long as he don't go. And it worked. And Rahm Emanuel was going to come out here and start the process of getting her in and the next day he's arrested.

Nothing about campaign contributions. Everything was about making Jesse think he was going to be the one. Everything about making Jesse get out here so the Washington people would think he's the one. You're going to find that out, you're going to see it, you're going to hear it, and you're going to know it. He wasn't taking a dime from Jesse Jackson, Jr. And with all due deference to him, Jesse Jackson, Jr., ain't giving nobody any money.

And you want to know how you know I'm right and they're wrong and that's what the evidence in

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this case is going to show? Because we don't have to rely on third parties, we don't have to rely on any intermediary, we don't have to rely on somebody's supposition. Do you know why? Because on December 8th at 4:00 o'clock in the Governor's office it happened. Jesse Jackson, Jr., and Rod Blagojevich met with John Harris, the buyer and the seller met with John Harris there. And you want to know what this tangible political support was up front? You want to know what this shakedown was up front? Do you know what they discussed? And you don't have to take it from me and you don't even have to listen to him, they're witnesses are going to come in here and tell you, the buyer and the seller met. And do you know what they discussed? Health care, would you come out for health care, would you come out ahead of time and say you're for my health care, will you come out and make sure that you'll get rid of the log jam if I appoint you senator. Do you know how much money was discussed that he would give him? Not a dime. Do you know how many contributions he asked for when the buyer and the seller met? Nothing; not a dine.

And you know the last thing you're going to find out that makes you know what's right? When

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1 that buyer and that seller walked out of that room,
  who gets arrested? Him (indicating) while Jesse
   Jackson, Jr., runs down to Starbucks and gets the
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   coffee. There was nobody buying or selling nothing.
   It was a strategic play that worked.
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          Now, I may not have hit everything, ladies
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   and gentlemen. We got a long time to be together.
   When this case is over, I'll try to get to the
   things that I didn't get to and I'll be back up
   here, seriously and humbly, asking you for a not
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   guilty, begging you for a not guilty. And when you
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   see the witnesses and you hear this evidence, when I
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   ask you for that not quilty, I don't think I'll have
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   to ask you twice. I thank you.
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          THE COURT: We will resume again tomorrow
   morning at 9:30.
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          THE MARSHAL: All rise.
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       (The following proceedings were had out of the
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        presence of the jury in open court:)
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          THE COURT: Please be seated in the
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   courtroom.
          Counsel approach the lectern.
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       (Brief pause).
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          THE COURT: What's up for tomorrow?
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          MR. SCHAR: Judge, we're going to start with
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          case agent Dan Cain. I would expect his testimony
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          to be about 45 minutes to an hour on direct.
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                 THE COURT: And then?
                 MR. SCHAR: The second witness of the day
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          would take us through the day I'm sure, Judge, would
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          be Lon Monk.
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                 THE COURT: Okay. So we're set for that?
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                 One observation I do want to make. I don't
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          mind if you yell at the jury.
                 MR. ADAM, JR.: Yes, your Honor.
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                 THE COURT: If you yell that way at a
          witness, I'll sit you down.
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                 MR. ADAM, JR.: Yes, sir. Yes, sir.
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                 THE COURT: Thank you.
                 MR. SOROSKY: Can I ask just ask one
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          question? Traditionally, an FBI agent testifies at
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          the end. Do they plan to call agent Cain at the end
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          of the case?
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                 THE COURT: Who knows.
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                 MR. SCHAR: Judge, I'm sorry, I fear for my
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          life if I go back downstairs without answering this
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          question. There's been a number of inquiries in our
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          office about release of exhibits once they're put
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          into evidence and we'd just like guidance from Your
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          Honor as to how you'd like to handle that.
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           THE COURT: It depends on the exhibits, so
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    you'll tell me and we'll talk about it.
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           MR. SCHAR: Very good, Judge.
           THE COURT: There may, for example, be no
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    objection, there may be objections, there may be
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    good grounds for an objection. I'll consider them
    one by one. And since I will have heard how they're
    being used in context, it'll be easier for me to
    decide.
                       Very good, Judge. Thank you.
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           MR. SCHAR:
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           MR. ADAM, JR.: Thank you, your Honor.
           THE COURT: Thank you.
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        (Adjournment taken from 4:39 o'clock p.m. to
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         9:30 o'clock a.m. on June 9, 2010.)
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4 5	T CERTIFY THAT THE EXPECTANCE IS A CORRECT TRANSCRIPT
6	I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE RECORD OF PROCEEDINGS IN THE ABOVE-ENTITLED
7	MATTER
8	MATTER
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10	/s/Blanca I. Lara date
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16	Blanca I. Lara Date
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